U.S. DEPARTMENT OF COMMERCE
Social and Economic Statistics Administration
BUREAU OF THE CENSUS
Washington, D.C. 20233

January 21, 1972

1970 Census Summary Tape User Memorandum No. 35E

SUBJECT: Release of Summary Tapes and Printed Reports

This memorandum supersedes earlier issues of the No. 35 series. In addition to presenting the number of tape reels for each available State by summary tape count, as previous No. 35 memos have done, this memorandum reports on the availability and price of 1970 census reports in the report series which are now being published.

Readers interested in the reports should first note the chart on page 2, which indicates the report series now entirely in print and those which are still in process of publication. The report series still in process receive further treatment in attached tables. The tables present a price for each report in these series which is available for purchase.

Reports may be ordered from either of two sources: (1) Department of Commerce field offices -- addresses given on page 3; or (2) the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. It is best to use order forms. However, if you have not received the appropriate order form and a report you are interested in is ready, a written request will be satisfactory. Be sure to specify the GPO catalog number, report series, report number, and State or other area (e.g., C3.223/6:970, PC(1)-B, No. 12, Georgia; or C3.224/5:970, HC(3), No. 31, Denver, Colorado). Checks should be made payable to: Superintendent of Documents.

Orders for summary tapes should be placed with the User Services Staff, Bureau of the Census, Washington, D.C. 20233. Tape reels cost $60 each, and checks should be made payable to: Census - Commerce. When ordering, please specify which of the following kinds of tapes is preferred:

7-channel -- 556 CPI BCD
7-channel -- 800 CPI BCD
9-channel -- 800 CPI EBCDIC
9-channel -- 800 CPI ASCII

If you desire additional information about the tapes, you may consult the 1970 Census Users' Guide or the CT series of the Data Access Descriptions. Also, detailed order forms are available from the User Services Staff.

Selected 1970 Census Final Reports

The following report series are either available in their entirity ("complete") or have one or more reports in print ("partial"). See attached tables for more information on the partially released series.

Series	Title	Release Status
PC(1)-A	Number of Inhabitants	Complete
PC(1)-B	General Population Characteristics	Partial
PC(1)-C	General Social and Economic Characteristics	Partial
HC(1)-A	General Housing Characteristics	Complete
HC(1)-B	Detailed Housing Characteristics	Partial
HC(3)	Volume III. Block Statistics	Partial
PHC(1)	Census Tract Reports	Partial
PHC(2)	General Demographic Trends for Metropolitan Areas, 1960 to 1970	Complete
PHC(3)	Employment Profiles of Selected Low-Income Areas	Partial

Where To Place Orders

U.S. Department of Commerce field offices (listed below) have some or or all of the reports for their areas on hand for public purchase.

Albuquerque, New Mexico 87101, U.S. Courthouse
Anchorage, Alaska 99501, 412 Hill Building
Atlanta, Georgia 30309, 1401 Peachtree Street, N.E.
Baltimore, Maryland 21202, 415 U.S. Customhouse
Birmingham, Alabama 35205, 908 South 20th Street
Boston, Massachusetts 02203, John F. Kennedy Federal Building
Buffalo, New York 14202, 111 West Huron Street
Charleston, South Carolina 29403, 334 Meeting Street
Charleston, West Virginia 25301, 500 Quarrier Street
Cheyenne, Wyoming 82001, 2120 Capitol Avenue
Chicago, Illinois 60604, 219 South Dearborn Street
Cincinnati, Ohio 45202, 550 Main Street
Cleveland, Ohio 44114, 666 Euclid Avenue
Dallas, Texas 75202, 1110 Commerce Street
Denver, Colorado 80202, Room 161, New Customhouse
Des Moines, Iowa 50309, 210 Walnut Street
Detroit, Michigan 48226, 445 Federal Building
Greensboro, North Carolina 27402, 258 Federal Building
Hartford, Connecticut 06103, 450 Main Street
Honolulu, Hawaii 96813, 1015 Bishop Street
Houston, Texas 77002, 201 Fannin Street
Jacksonville, Florida 32202, 400 West Bay Street
Kansas City, Missouri 64106, 601 East 12th Street
Los Angeles, California 90024, 11000 Wilshire Boulevard
Memphis, Tennessee 38103, 147 Jefferson Avenue
Miami, Florida 33130, 25 West Flagler Street
Milwaukee, Wisconsin 53203, 238 West Wisconsin Avenue
Minneapolis, Minnesota 55401, 110 South Fourth Street
New Orleans, Louisiana 70130, 610 South Street
New York, New York 10007, 26 Federal Plaza, Foley Square
Philadelphia, Pennsylvania 19107, 1015 Chestnut Street
Phoenix, Arizona 85025, 230 North First Avenue
Pittsburgh, Pennsylvania 15222, 1000 Liberty Avenue
Portland, Oregon 97204, 520 S.W. Morrison Street
Reno, Nevada 89502, 300 Booth Street
Richmond, Virginia 23240, 400 North 8th Street
St. Louis, Missouri 63103, 1520 Market Street
Salt Lake City, Utah 84111, 125 South State Street
San Francisco, California 94102, 450 Golden Gate Avenue
San Juan, Puerto Rico 00902, Post Office Building
Savannah, Georgia 31402, 125-29 Bull Street
Seattle, Washington 98104, 909 First Avenue

Table 1

AVAILABILITY AND NUMBER OF 1970 CENSUS SUMMARY TAPES*

	1st Count		2nd Count		3rd Count	4th Count						6th Count	
						Population			Housing				
	File A	File B	File A	File B		File A	File B	File C	File A	File B	File C	Pop.	Hsg.
UNITED STATES													
ALABAMA	2	1	2	2	3								
ALASKA	1	1	1	1	1		1	1		1	1		
ARIZONA	1	1	1	1	3		1	1		1	1		
ARKANSAS	2	1	1	4	2								
CALIFORNIA	8	1	10	4	23								
COLORADO	1	1	2	2	4								
CONNECTICUT	1	1	2	2	4								
DELAWARE	1	1	1	1	1								
DIST. OF COLUMBIA	1	1	1	1	1								
FLORIDA	3	1	3	3	11								
GEORGIA	2	1	2	3	3								
HAWAII	1	1	1	1	1								
IDAHO	1	1	1	1	1								
ILLINOIS	5	2	5	6	11								
INDIANA	3	1	2	4	5								
IOWA	2	2	1	5	3								
KANSAS	2	1	1	5	4								
KENTUCKY	2	1	1	3	2								
LOUISIANA	2	1	2	2	4								
MAINE	1	1	1	2	1								
MARYLAND	2	1	2	2	4								
MASSACHUSETTS	2	1	3	3	8								
MICHIGAN	4	1	4	5	9								
MINNESOTA	2	2	2	8	4								
MISSISSIPPI	1	1	1	1	1								
MISSOURI	3	2	2	5	4								
MONTANA	1	1	1	2	1	1	1	1	1	2	1		
NEBRASKA	1	1	1	4	2								
NEVADA	1	1	1	1	1								
NEW HAMPSHIRE	1	1	1	2	1								
NEW JERSEY	3	1	4	3	10								
NEW MEXICO	1	1	1	1	1	1	1	1	1	1	1		
NEW YORK	6	1	9	5	21								
NORTH CAROLINA	2	1	2	4	3								
NORTH DAKOTA	1	1	1	1	1								
OHIO	5	2	5	6	11								
OKLAHOMA	2	1	2	2	3								
OREGON	1	1	1	2	4								
PENNSYLVANIA	5	2	6	9	13								
RHODE ISLAND	1	1	1	1	2								
SOUTH CAROLINA	1	1	1	2	3								
SOUTH DAKOTA	1	1	1	4	1								
TENNESSEE	2	1	1	3	5								
TEXAS	5	1	5	6	15								
UTAH	1	1	1	1	2								
VERMONT	1	1	0	1	1		1	1		2	1		
VIRGINIA	2	1	2	3	5								
WASHINGTON	2	1	2	2	6								
WEST VIRGINIA	1	1	1	2	1								
WISCONSIN	2	1	2	6	6								
WYOMING	1	1	0	1	1		1	1		1	1		
PUERTO RICO	2	1		4									

*Fifth Count tapes are not released on a State-by-State basis. File A consists of one tape for all 3-digit zip code areas in the U.S., and file B is composed of 12 tapes for 5-digit areas within SMSA's.

Table 2

TITLE:

PRICE OF REPORTS

IN STATE REPORT SERIES NOW BEING RELEASED

	PC(1)-B C3.223/6:970	PC(1)-C C3.223/7:970	HC(1)-B C3.224/3:967
UNITED STATES			
ALABAMA	$1.25		
ALASKA	.65	$1.25	$1.00
ARIZONA	.60		
ARKANSAS	1.25		
CALIFORNIA	1.75		
COLORADO	1.00		
CONNECTICUT	1.00		
DELAWARE	.50		
DIST. OF COLUMBIA	.40		
FLORIDA	1.25		
GEORGIA	1.75		
HAWAII	.55	1.25	1.00
IDAHO	.75		
ILLINOIS	2.00		
INDIANA	1.75		
IOWA	1.50		
KANSAS	1.50		
KENTUCKY	1.50		
LOUISIANA	1.25		
MAINE	.75		
MARYLAND	.75		
MASSACHUSETTS	1.25		
MICHIGAN	1.75		
MINNESOTA	1.75		
MISSISSIPPI	1.00		
MISSOURI	1.50		
MONTANA	1.00	1.75	1.50
NEBRASKA	1.25		
NEVADA	.60		
NEW HAMPSHIRE	.60		
NEW JERSEY	1.50		
NEW MEXICO	.70		
NEW YORK	1.75		
NORTH CAROLINA	1.50		
NORTH DAKOTA	1.25		
OHIO	1.75		
OKLAHOMA	1.25		
OREGON	1.00		
PENNSYLVANIA	2.25		
RHODE ISLAND	.55		
SOUTH CAROLINA	1.00		
SOUTH DAKOTA	1.25		
TENNESSEE	1.25		
TEXAS	2.50		
UTAH	.65		
VERMONT	.60		
VIRGINIA	1.50		
WASHINGTON	1.00		
WEST VIRGINIA	1.00		
WISCONSIN	1.75		
WYOMING	.60	1.00	1.25
PUERTO RICO			

Table 3

Price of Available
Block Statistics Reports
HC(3)
GPO Cat. #C3.224/5:970

Report No.	Urbanized area	Price
	ALABAMA	
1	Birmingham	$5.50
2	Gadsden	2.00
3	Huntsville	2.50
4	Mobile	2.50
5	Montgomery	1.50
6	Tuscaloosa	1.50
7	Selected Areas	1.00
	ALASKA	
8	Selected Areas	2.25
	ARIZONA	
9	Phoenix	7.25
10	Tucson	2.50
11	Selected Areas	.75
	ARKANSAS	
12	Fort Smith, Ark. – Okla.	1.75
13	Little Rock – North Little Rock	2.75
14	Pine Bluff	1.50
15	Selected Areas	1.00
	CALIFORNIA	
16	Bakersfield	
17	Fresno	
18	Los Angeles – Long Beach	
19	Oxnard – Ventura – Thousand Oaks	
20	Sacramento	
21	Salinas	
22	San Bernardino – Riverside	
23	San Diego	
24	San Francisco – Oakland	
25	San Jose	
26	Santa Barbara	
27	Simi Valley	
28	Stockton	
29	Selected Areas	
	COLORADO	
30	Colorado Springs	
31	Denver	
32	Pueblo	
33	Selected Areas	
	CONNECTICUT	
34	Bridgeport	3.00
35	Bristol	1.75
36	Hartford	4.75

Report No.	Urbanized area	Price
	CONNECTICUT – Continued	
37	Meriden	$1.75
38	New Britain	2.00
39	New Haven	3.00
40	Norwalk	2.00
41	Stamford	2.25
42	Waterbury	2.25
	DELAWARE	
43	Wilmington, Del. – N.J.	
	DISTRICT OF COLUMBIA	
44	Washington, D.C.–Md.–Va.	
	FLORIDA	
45	Fort Lauderdale – Hollywood	
46	Jacksonville	
47	Miami	
48	Orlando	3.50
49	Pensacola	2.00
50	St. Petersburg	4.00
51	Tallahassee	1.50
52	Tampa	
53	West Palm Beach	3.75
54	Selected Areas	
	GEORGIA	
55	Albany	1.50
56	Atlanta	6.50
57	Augusta, Ga. – S.C.	
58	Columbus, Ga. – Ala.	2.00
59	Macon	1.75
60	Savannah	1.75
61	Selected Areas	1.25
	HAWAII	
62	Honolulu	5.75
63	Selected Areas	4.75
	IDAHO	
64	Boise City	1.75
	ILLINOIS	
65	Aurora – Elgin, Ill.	
66	Bloomington – Normal	1.75
67	Champaign – Urbana	1.50
68	Chicago, Ill. – Northwestern, Ind.	
69	Decatur	2.00
70	Joliet	2.25
71	Peoria	

Block Statistics Reports
HC(3)
GPO Cat. #C3.224/5:970

(continued)

Report No.	Urbanized area	Price
	ILLINOIS – Continued	
72	Rockford	$1.75
73	Springfield	2.00
74	Selected Areas	1.25
	INDIANA	
75	Anderson	
76	Evansville	
77	Fort Wayne	
78	Indianapolis	4.00
79	Lafayette – West Lafayette	1.50
80	Muncie	
81	South Bend, Ind. – Mich.	
82	Terre Haute	1.75
83	Selected Areas	
	IOWA	
84	Cedar Rapids	1.75
85	Davenport – Rock Island – Moline, Ia. – Ill.	
86	Des Moines	2.75
87	Dubuque, Ia. – Ill.	
88	Sioux City, Ia.–Nebr.–S. Dak.	1.75
89	Waterloo	1.75
90	Selected Areas	1.25
	KANSAS	
91	Topeka	
92	Wichita	
93	Selected Areas	
	KENTUCKY	
94	Lexington	1.50
95	Louisville, Ky. – Ind.	
96	Selected Areas	1.00
	LOUISIANA	
97	Baton Rouge	2.00
98	Lafayette	1.50
99	Lake Charles	1.50
100	Monroe	1.75
101	New Orleans	5.50
102	Shreveport	2.25
	MAINE	
103	Lewiston – Auburn	2.00
104	Portland	2.00
105	Selected Areas	2.00
	MARYLAND	
106	Baltimore	
107	Selected Areas	1.50

Report No.	Urbanized area	Price
	MASSACHUSETTS	
108	Boston	
109	Brockton	$2.00
110	Fall River, Mass. – R.I.	
111	Fitchburg – Leominster	1.75
112	Lawrence – Haverhill, Mass. – N. H.	
113	Lowell	
114	New Bedford	2.25
115	Pittsfield	1.25
116	Springfield – Chicopee – Holyoke, Mass. – Conn.	
117	Worcester	2.75
	MICHIGAN	
118	Ann Arbor	2.00
119	Bay City	1.00
120	Detroit	
121	Flint	2.75
122	Grand Rapids	2.75
123	Jackson	1.75
124	Kalamazoo	1.75
125	Lansing	2.00
126	Muskegon – Muskegon Heights	1.75
127	Saginaw	
128	Selected Areas	3.25
	MINNESOTA	
129	Duluth – Superior, Minn. – Wis.	
130	Minneapolis – St. Paul	7.25
131	Selected Areas	1.75
	MISSISSIPPI	
132	Biloxi – Gulfport	1.75
133	Jackson	2.00
134	Selected Areas	1.50
	MISSOURI	
135	Kansas City, Mo. – Kan.	
136	St. Joseph, Mo. – Kan.	
137	St. Louis, Mo. – Ill.	
138	Springfield	1.75
139	Selected Areas	1.50
	MONTANA	
140	Billings	
141	Great Falls	1.50
142	Selected Areas	1.00

Block Statistics Reports
HC(3)
GPO Cat. #C3.224/5:970

(continued)

Report No.	Urbanized area	Price
	NEBRASKA	
143	Lincoln	$1.50
144	Omaha, Nebr. – Iowa	3.00
145	Selected Areas	
	NEVADA	
146	Las Vegas	2.50
147	Reno	1.75
	NEW HAMPSHIRE	
148	Manchester	1.75
149	Selected Areas	1.50
	NEW JERSEY	
150	Atlantic City	
151	Trenton, N.J. – Pa.	
152	Vineland – Millville	
153	Selected Areas	
	NEW MEXICO	
154	Albuquerque	2.50
155	Selected Areas	1.00
	NEW YORK	
156	Albany – Schenectady – Troy	
157	Binghamton	
158	Buffalo	
159	New York, N.Y. – Northeastern New Jersey	
	Pt. 1 – New York City	
	Pt. 2 – New York Portion, Outside New York City	
	Pt. 3 – Northeastern New Jersey	
160	Rochester	
161	Syracuse	
162	Utica – Rome	
163	Selected Areas	
	NORTH CAROLINA	
164	Asheville	1.75
165	Charlotte	2.50
166	Durham	
167	Fayetteville	2.00
168	Greensboro	
169	High Point	2.00
170	Raleigh	2.25
171	Wilmington	1.75
172	Winston-Salem	
173	Selected Areas	

Report No.	Urbanized area	Price
	NORTH DAKOTA	
174	Fargo – Moorhead, N. Dak. – Minn.	
	OHIO	
175	Akron	
176	Canton	
177	Cincinnati, Ohio – Ky.	
178	Cleveland	$7.50
179	Columbus	3.25
180	Dayton	
181	Hamilton	2.25
182	Lima	1.75
183	Lorain – Elyria	2.50
184	Mansfield	1.50
185	Springfield	1.50
186	Steubenville – Weirton, Ohio – W. Va.	2.75
187	Toledo, Ohio – Mich.	3.00
188	Youngstown – Warren	2.75
189	Selected Areas	1.50
	OKLAHOMA	
190	Lawton	1.50
191	Oklahoma City	8.00
192	Tulsa	3.50
193	Selected Areas	2.50
	OREGON	
194	Eugene	1.75
195	Portland, Ore. – Wash.	
196	Salem	1.75
197	Selected Areas	
	PENNSYLVANIA	
198	Allentown – Bethlehem – Easton, Pa. – N.J.	
199	Altoona	1.25
200	Erie	1.50
201	Harrisburg	2.50
202	Johnstown	1.75
203	Lancaster	2.00
204	Philadelphia, Pa. – N.J.	9.75
205	Pittsburgh	
206	Reading	1.75
207	Scranton	2.25
208	Wilkes-Barre	2.25
209	York	1.75
210	Selected Areas	2.25

Block Statistics Reports
HC(3)
GPO Cat. #C3.224/5:970

(continued)

Report No.	Urbanized area	Price
	RHODE ISLAND	
211	Providence – Pawtucket – Warwick, R.I. – Mass.	
	SOUTH CAROLINA	
212	Charleston	
213	Columbia	$2.50
214	Greenville	
215	Selected Areas	
	SOUTH DAKOTA	
216	Sioux Falls	1.50
217	Selected Areas	1.00
	TENNESSEE	
218	Chattanooga, Tenn. – Ga.	2.50
219	Knoxville	2.50
220	Memphis, Tenn. – Miss.	
221	Nashville – Davidson	6.00
222	Selected Areas	11.50
	TEXAS	
223	Abilene	2.00
224	Amarillo	2.25
225	Austin	2.25
226	Beaumont	2.00
227	Brownsville	1.50
228	Corpus Christi	
229	Dallas	
230	El Paso	
231	Fort Worth	
232	Galveston	
233	Harlingen – San Benito	1.00
234	Houston	
235	Laredo	1.00
236	Lubbock	
237	McAllen – Pharr – Edinburg	2.00
238	Midland	1.50
239	Odessa	1.75
240	Port Arthur	
241	San Angelo	
242	San Antonio	
243	Sherman – Denison	2.00
244	Texarkana, Tex. – Ark.	
245	Texas City – LaMarque	
246	Tyler	1.50
247	Waco	
248	Wichita Falls	
249	Selected Areas	1.00

Report No.	Urbanized area	Price
	UTAH	
250	Ogden	$2.25
251	Provo – Orem	1.75
252	Salt Lake City	3.00
	VERMONT	
253	Selected Areas	
	VIRGINIA	
254	Lynchburg	1.50
255	Newport News – Hampton	2.50
256	Norfolk – Portsmouth	6.50
257	Richmond	
258	Roanoke	1.75
259	Selected Areas	
	WASHINGTON	
260	Seattle – Everett	6.00
261	Spokane	2.50
262	Tacoma	2.75
263	Selected Areas	
	WEST VIRGINIA	
264	Charleston	2.25
265	Huntington – Ashland, W. Va. – Ky. – Ohio	
266	Wheeling, W. Va. – Ohio	
267	Selected Areas	1.00
	WISCONSIN	
268	Green Bay	
269	Kenosha	1.50
270	Madison	2.00
271	Milwaukee	
272	Racine	1.50
273	Selected Areas	
	WYOMING	
274	Selected Areas	1.50
	PUERTO RICO	
275	Mayagüez	
276	Ponce	
277	San Juan	
278	Selected Areas	

Table 4

Price of Available Census Tract Reports

Report Series PHC(1)

GPO Cat. # C3.223/11.970

Report No.	Tracted Area	Price
23	Billings, Montana	$.50
81	Great Falls, Montana	$.55

Table 5

1970 Census of Population and Housing Series PHC(3)

EMPLOYMENT PROFILES OF SELECTED LOW-INCOME AREAS—PHC(3) REPORTS

GPO Cat. #C3.223/17:970

PHC(3)-1	United States Summary	
PHC(3)-2	New York, N.Y.—All Survey Areas	
PHC(3)-3	New York, N.Y.—Puerto Rican Population of Survey Areas	
PHC(3)-4	Manhattan Borough, New York City—Summary	
PHC(3)-5	Manhattan Borough, New York City—Area I	
PHC(3)-6	Manhattan Borough, New York City—Area II	
PHC(3)-7	Brooklyn Borough, New York City—Summary	
PHC(3)-8	Brooklyn Borough, New York City—Area I	
PHC(3)-9	Brooklyn Borough, New York City—Area II	
PHC(3)-10	Brooklyn Borough, New York City—Area III	
PHC(3)-11	Bronx Borough, New York City	
PHC(3)-12	Queens Borough, New York City	
PHC(3)-13	Los Angeles, Calif.—Summary	
PHC(3)-14	Los Angeles, Calif.—Area I	
PHC(3)-15	Los Angeles, Calif.—Area II	
PHC(3)-16	Chicago, Ill.—Summary	$1.50
PHC(3)-17	Chicago, Ill.—Area I	
PHC(3)-18	Chicago, Ill.—Area II	
PHC(3)-19	Philadelphia, Pa.—Summary	
PHC(3)-20	Philadelphia, Pa.—Area I	
PHC(3)-21	Philadelphia, Pa.—Area II	
PHC(3)-22	Detroit, Mich.	$2.00
PHC(3)-23	San Francisco, Calif.	
PHC(3)-24	Washington, D.C.	$1.50
PHC(3)-25	Boston, Mass.	$2.00
PHC(3)-26	Pittsburgh, Pa.	$2.00
PHC(3)-27	St. Louis, Mo.	
PHC(3)-28	Baltimore, Md.	
PHC(3)-29	Cleveland, Ohio	
PHC(3)-30	Houston, Tex.	$2.00
PHC(3)-31	Newark, N.J.	
PHC(3)-32	Dallas, Tex.	
PHC(3)-33	Minneapolis, Minn.	$1.50
PHC(3)-34	St. Paul, Minn.	
PHC(3)-35	Milwaukee, Wis.	
PHC(3)-36	Atlanta, Ga.	$1.50
PHC(3)-37	Cincinnati, Ohio	
PHC(3)-38	Buffalo, N.Y.	$2.00
PHC(3)-39	San Diego, Calif.	$2.50
PHC(3)-40	Miami, Fla.	
PHC(3)-41	Kansas City, Mo.	
PHC(3)-42	Denver, Colo.	
PHC(3)-43	Indianapolis, Ind.	$2.00
PHC(3)-44	New Orleans, La.	
PHC(3)-45	Oakland, Calif.	
PHC(3)-46	Tampa, Fla.	
PHC(3)-47	Portland, Ore.	
PHC(3)-48	Phoenix, Ariz.	
PHC(3)-49	Columbus, Ohio	
PHC(3)-50	San Antonio, Tex.	$1.50
PHC(3)-51	Dayton, Ohio	
PHC(3)-52	Rochester, N.Y.	
PHC(3)-53	Louisville, Ky.	
PHC(3)-54	Memphis, Tenn.	
PHC(3)-55	Fort Worth, Tex.	
PHC(3)-56	Birmingham, Ala.	
PHC(3)-57	Toledo, Ohio	
PHC(3)-58	Akron, Ohio	
PHC(3)-59	Norfolk, Va.	
PHC(3)-60	Oklahoma City, Okla.	
PHC(3)-61	Jersey City, N.J.	
PHC(3)-62	Providence, R.I.	$1.50
PHC(3)-63	Omaha, Nebr.	
PHC(3)-64	Youngstown, Ohio	
PHC(3)-65	Tulsa, Okla.	
PHC(3)-66	Charlotte, N.C.	$2.00
PHC(3)-67	Wichita, Kans.	
PHC(3)-68	Bridgeport, Conn.	
PHC(3)-69	Selected Rural Counties in Alabama	
PHC(3)-70	Selected Rural Counties in Appalachia	
PHC(3)-71	Selected Rural Counties in Arkansas	
PHC(3)-72	Selected Rural Counties in California	
PHC(3)-73	Selected Rural Counties in Missouri	
PHC(3)-74	Selected Rural Counties in North Carolina	
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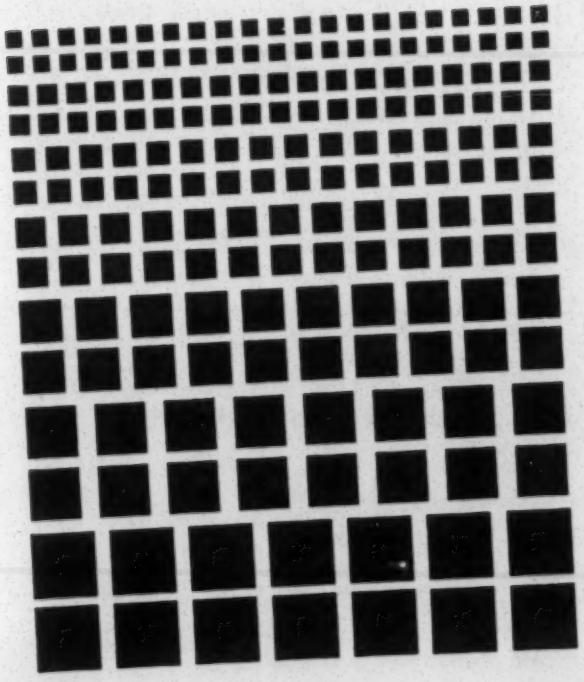

CENSUS BUREAU METHODOLOGICAL RESEARCH, 1970

An annotated list of papers and reports

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The fifth annual annotated list of papers and reports on methodological research conducted by the U.S. Bureau of the Census is now available. It describes methodological research documents, both published and unpublished, issued during 1970.

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Contents of most of the documents are described briefly. Sources and prices are shown.

The previous lists available cover the years 1967, 1968 and 1969. This series is an outgrowth of a continuing methodological research documentation program conducted by the U.S. Bureau of the Census to keep staff members informed of current research on the various Bureau projects. The annotated list of papers and reports is designed to inform statisticians and technicians outside the Bureau of available documents on the status and results of this research.

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POPULATION—*A Threat to Survival*

This is the first in a series of articles on threats to the environment of the nation which will appear in TEXTILE LABOR.

Imagine if you can a morning on which you awaken to a world which has literally ceased to function. You go to make coffee and there is no water; your electricity and heating system are not working; your telephone is dead. Attempting to leave your home for help, you find all roads blocked by a solid mass of cars—abandoned when they could move no further. On foot, you make your way to a nearby shopping center where all shelves are completely bare and there is no sign of life anywhere.

As far as you know, you are earth's sole survivor with no food or water and no place to turn.

Just science fiction today, perhaps, but it could be terrifying reality tomorrow if Man's soaring population rate and destructive overexploitation of his environment continue at their present pace.

Projections based by the Census Bureau in Washington on the current annual rate of world population growth show that by the year 2000 there will be a staggering 6 billion people, 362 million of them in the United States, struggling for survival on the face of an Earth where survival may by then no longer be possible.

Even the world population of 3.6 billion in early 1970 was somewhere between three and seven times more people than the Earth can possibly

(*Continued on pages 12-14*)

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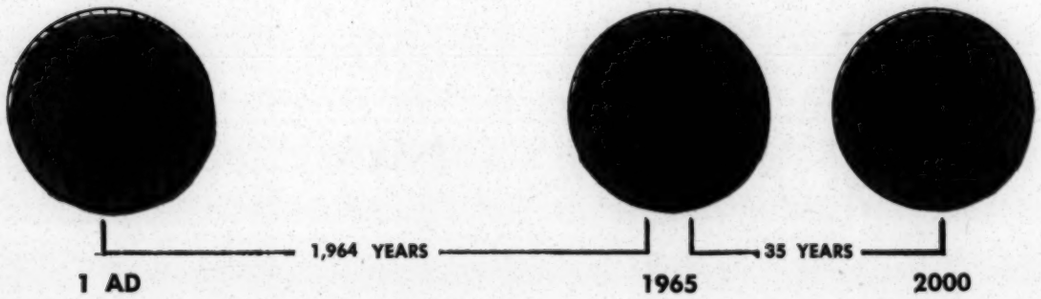
Our Expanding Pop

. . . and how it will affect our nation's vital n

More people crowd our world each year . . .



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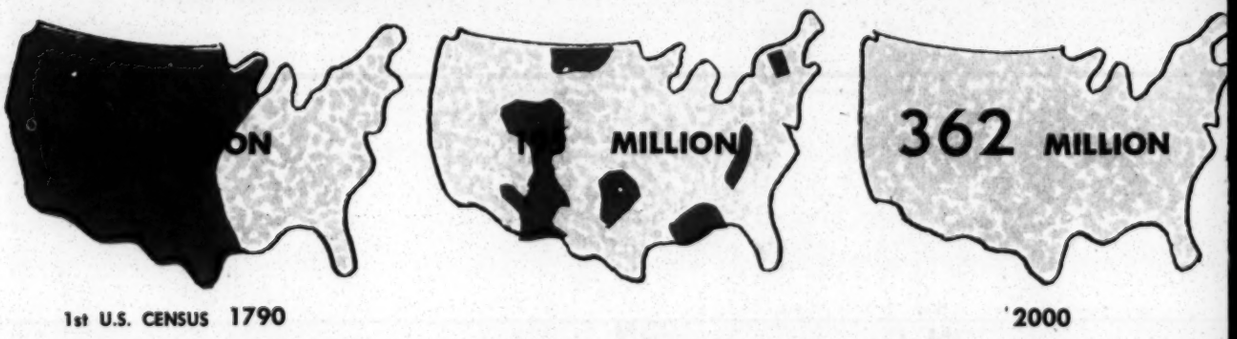

. . . in the United States this expanding population will . . . earn and spend more money . . .

U.S. GROSS NATIONAL PRODUCT—IN BILLIONS OF 1954 DOLLARS

pulation

atural resources.

. . . on products using minerals

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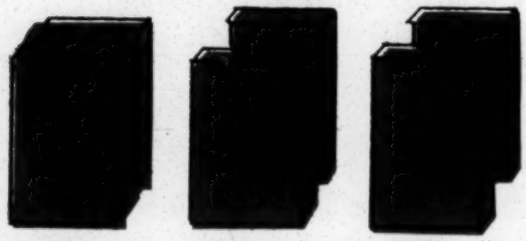


1947 1964 2000

IN BILLIONS OF 1954 DOLLARS

. . . and energy . . .

(BTU (British Thermal Unit) Quantity of heat required to raise temperature of 1 lb. of water by 1° F.)

1947 1964 2000

IN QUADRILLION BTU's

. . . our nation's water will be used at a steadily increasing rate . . .

IN BILLIONS OF GALLONS A DAY

1900	1965	2000
40 BILLION GALS.	325 BILLION GALS.	900 BILLION GALS.

. . . this same population will place greater demands on our National Parks and fish and wildlife resources.

28.5 MILLION	112.0	250.0

MILLIONS OF VISITS PER YEAR

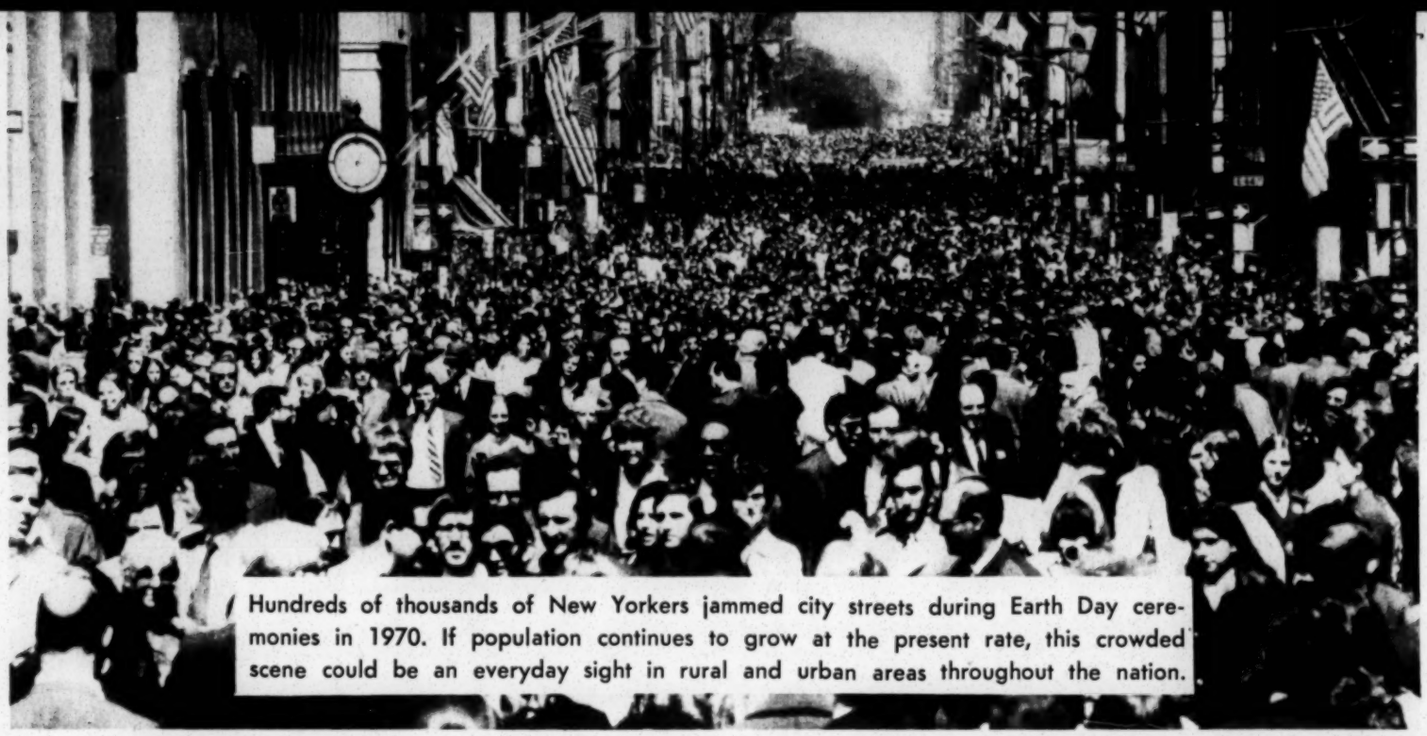
1947 1965 2000

	1947	1964	2000
HUNTING:	12.0	14.1	24.2
FISHING:	12.6	20.2	48.4

MILLIONS OF PAID LICENSES PER YEAR

1947 1964 2000

Adapted from "The Population Challenge," U.S. Dept. of Interior.



Hundreds of thousands of New Yorkers jammed city streets during Earth Day ceremonies in 1970. If population continues to grow at the present rate, this crowded scene could be an everyday sight in rural and urban areas throughout the nation.

(*Continued from page 11*)

maintain over a long period of time, according to Dr. Paul Ehrlich, well-known expert on the population crisis and professor of biology at Stanford University.

"We are able to sustain so large a population (mostly living in misery) at the moment only because we are burning our capital," Ehrlich points out. "Non-renewable resources are being exhausted at a horrendous rate, and we are destroying the capability . . . to renew the supply of renewable resources."

At the present annual rate of about 2% (or 70 million) world population doubles every 35 to 40 years. In more dramatic terms, the U.S. has suffered a total of some 600,000 battle deaths in all the wars it has ever fought—from the Revolution through Cambodia. World population now grows by that number every 3½ days.

Allowed to continue at this rate unchecked, humanity is likely to strangle itself to death in a sea of elbows within a few short generations if it doesn't starve first.

Georg Borgstrom, author of The Hungry Planet, has described today's world as a vast network of slums in which 60% of the inhabitants live in utter misery, 25% are on the borderline, and only 15% live in affluence.

Those who still ask when the often-forecast food-population crisis is going to become a reality are dangerously uninformed. It is already very much here. Each year, 10 to 20 million people are dying of starvation, some of them in the U.S.

While hunger is most prevalent in underdeveloped countries and among young children and mothers, no area or group is immune. Hunger attacks in two basic ways—undernutrition, or too few calories, and malnutrition which is a lack of protein and essential minerals in the diet. Up to two billion people are suffering from one or the other—or both—right now.

As Ehrlich points out, the so-called "food surpluses" we hear so much about are purely statistics, and have nothing to do with who is or is not being fed. Demand for food is not the same as need for it and people are starving because they have no money to buy it.

Even so, he says, there is not enough food available to provide all of today's population with an adequate diet.

"If all the food produced was equitably distributed, and a minimum was lost between the fields and the consumers to pests and spoilage, there would probably be enough calories—just barely—to go around. But there would still be a shortage of high quality protein."

When optimists maintain that there is plenty of food and that it will not be a problem in the future, they are only counting calories. They forget that insufficient protein can cause brain damage, dwarfing, crippling, blindness and other maladies as well as possible death.

Also, unlike population growth which persists at a fairly constant rate year after year, food growth is largely unpredictable.

In 1967, for example, good weather was responsible for fine harvests almost worldwide for the first time since 1964. This, plus the so-called Green Revolution—new varieties of wheat and rice—changed pessimism about the world food situation to limited optimism in the U.S. Department of Agriculture and elsewhere.

However, even if the Green Revolution proves as successful as its supporters hope, it will at best keep up with population growth for 10 or 20 years, which is no solution at all.

Further proof of the instability of food production lies in the fact that in 1969, with the Green Revolution well established in some areas, the United Nations Food & Agricultural Organization reported that there was no increase in world production at all. Much of this failure was due to deliberate crop cutbacks by overdeveloped nations who had produced large

(*Continued on page 17*)

Population—*A Threat to Survival*

(*Continued from page 14*)

unsaleable grain surpluses in 1968 which starving people in other nations could not buy.

In the blind race against time to meet the staggering demands of future millions on the world's already disappearing resources, we are hastening mankind's extinction through desperate attempts to stretch those resources—particularly in highly industrial countries like our own—which are polluting the land itself, the air and the sea from which an estimated 20% of animal protein now comes.

Our indiscriminate use of pesticides, synthetic fertilizers and other chemicals may eventually kill soil fertility entirely and empty our waterways of all life. Continued overexploitation of other resources could ultimately deprive us of fuel and the means to produce even the barest necessities of human existence.

Conceivably, these dangerous trends can be reversed or counteracted by science or legislation if the paramount problem of overcrowding is solved.

However, unless we keep our population growth down to a safe level, overcoming all other ecological threats will be for nothing because no amount of future technological wizardry can create additional living space once it has been exhausted.

Since 1967, U.S. population has been increasing an average of 1% a year and totalled 203,185,000 as of July 1, 1970. The fact that it is expected to go up another 161 million by the end of the century—just 28 years from now—is even more shocking when we stop to think that 175 years were required to add only 191 million from the first census in 1790 up to 1965.

Perhaps 1% doesn't seem like much but Dr. Philip M. Hauser, formerly of the U.S. Census Bureau and now director of the Population Research Center at the University of Chicago, proves how large that small figure can be.

"One hundred persons multiplying at 1% a year, not over the period of 200,000 to 1 million years of man's occupancy of this globe, but merely for the 5,000 years of human history," he declares, "would have produced a contemporary population of 2.7 billion persons per square foot of land surface of the earth."

Hauser admits that such arithmetic is "dramatic" but defends it as a "conclusive way of demonstrating that a 1% increase in world population could not have taken place for very long in the past; nor can it continue for very long in the future."

Actually, unless people themselves drastically revise their treatment of population and pollution problems, and their abuse of the environment in a shrinking world, life soon will not be worth living even if they do survive.

Indeed it is hardly worth living now for more than half the Earth's inhabitants—many of them Americans who are shamelessly ignored as their fellow citizens rush headlong to join them in their misery through greed, self-indulgence or ignorance with no thought of the grim reckoning to come.

As our highways, transit systems, schools, hospitals and other vital facilities rapidly approach the saturation point before our eyes, we foolishly accept false claims offered by self-seeking politicians and industrialists. Yet endless additions of one more road, car, desk or bed in a cramped hallway can only destroy the orderly pattern of living so carefully planned by the less frenzied founders of our vanishing society.

Unless we act now to stop it, the same fate awaits our national parks, lakes, seashore and secluded mountain areas where elbow room, fresh air, and cool water still provide those brief vacations from chaos which help to preserve sanity in an increasingly pressurized world.

Without such mutual action on the part of all citizens, the quality of life will surely diminish to zero, human dignity and compassion will disappear and we will find ourselves back in the Dark Age of civilization—if we can still find ourselves anywhere at all.

Recent seminar on grievance handling conducted by Toledo Joint Board and the Labor Education and Research Service of Ohio State University was attended by 51 officers and stewards from joint board-affiliated TWUA locals in the Toledo area.

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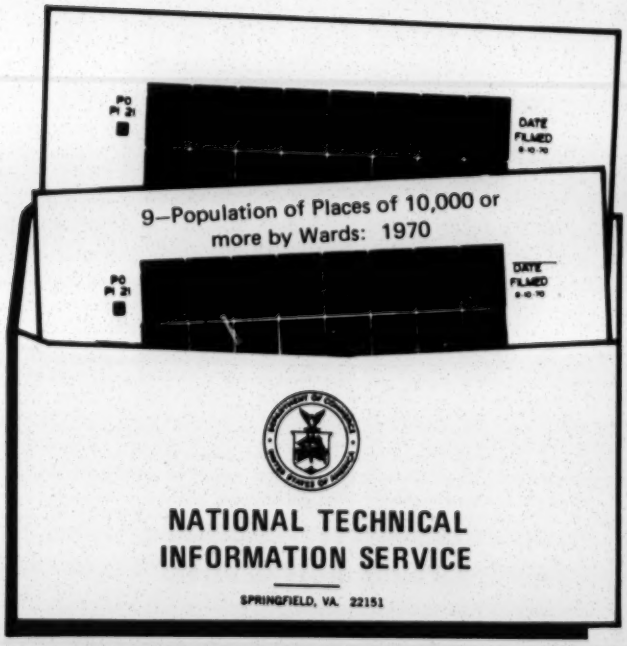

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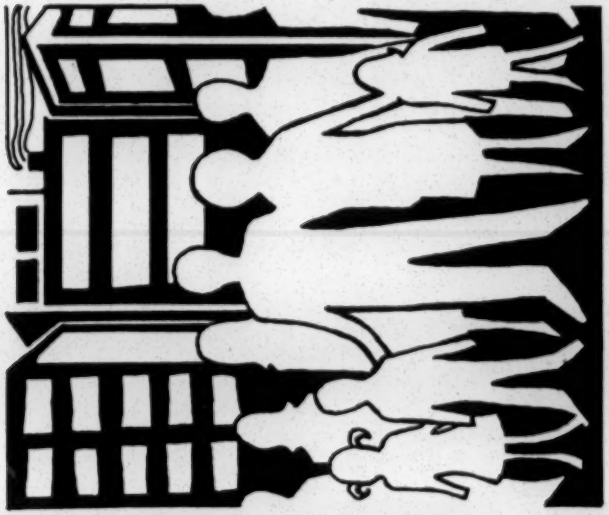

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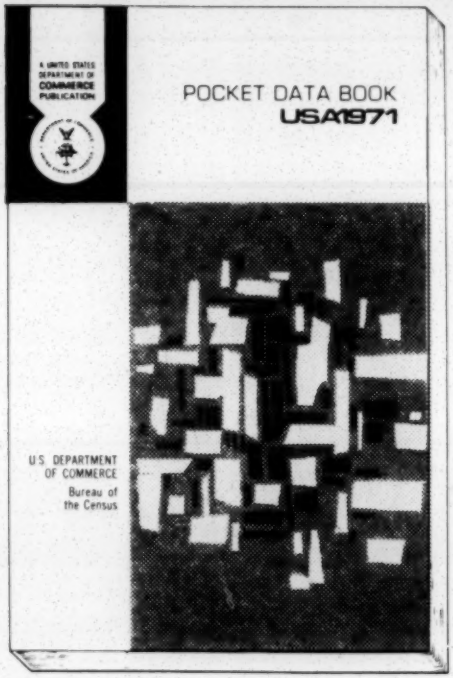

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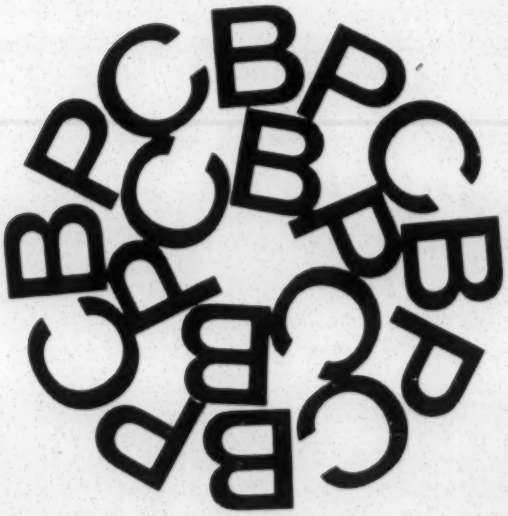

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Highlights the data businessmen, market researchers, and industrial and civic planners need for States, standard metropolitan statistical areas, and counties. This series includes a separate paperbound report for each State and a U.S. Summary. Data items are:

- Employment
- Number and Employment-Size of Reporting Units
- Taxable Payrolls

Data presented

The individual State reports present the principal data items by detailed industry——4-digit level of the Standard Industrial Classification (SIC)——for States and counties and by major industry group (2-digit SIC) for SMSA's. Also included, by major industry group, are data on the number of employees, by employment-size class; the number of reporting units with 500 or more employees, by employment-size class; the number of reporting units, employees, and taxable payrolls of administrative and auxiliary units.

The U.S. Summary includes data by detailed industry (4-digit SIC) for the United States and by major group (2-digit SIC) for each State. Also included are totals of the principal data items for each county and SMSA.

Data on cards and tapes

Published information by county and by industry will be available at cost, on punchcards and computer tapes. Inquiries should be addressed to Chief, Economic Statistics and Surveys Division, Bureau of the Census, Washington, D.C. 20233

Industries covered

Data are shown in detail for the following broad industry categories:

Agricultural services, forestry, and fisheries
Mining
Contract construction
Manufacturing
Transportation and other public utilities
Wholesale trade
Retail trade
Finance, insurance, and real estate
Services

How CBP data are used

County Business Patterns is a standard reference source of small-area data. CBP data are especially useful for:

Analyzing market potentials
Determining location and size of sales territories
Establishing sales quotas and advertising budgets
Comparing past sales volume with potential volume, by area
Locating production, marketing, and service facilities

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C3.204/971/1-53

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Monthly Selected Services Receipts
Monthly Wholesale Trade Report
Canned Food Report
Green Coffee Inventories and Roastings

1967 Quinquennial Economic Census Data:

1967 Census of Manufactures and Minerals
1967 Census of Business
1967 Census of Construction Industries

Enterprise Statistics: 1967

Part 1—General Report on Industrial Organization (now available).

Part 2—Central Administrative Offices and Auxiliaries (issued as a preliminary report only).

Part 3—Link of Census Establishment and IRS Corporation Data (in preparation).

Part 4—Mergers and Acquisitions (now available).

For information on and/or an order form for any of the above publications, write to the Distribution Section, Social and Economic Statistics Administration, Washington, D.C. 20233.

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U.S. DEPARTMENT OF COMMERCE
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BUREAU OF THE CENSUS
Washington, D.C. 20233

OFFICE OF THE DIRECTOR

May 10, 1972

1970 Census Users Bulletin No. 3

1970 Census Farm - Nonfarm Data

The continuing program of 1970 census data review at the Bureau of the Census has shown that a misclassification exists in the statistics on farm - nonfarm residence published in two series of reports and on the Fourth Count summary tapes. Affected by this misclassification are the statistics on rural farm and rural nonfarm population in the series PC(1)-C State reports and the statistics on occupied rural farm and rural nonfarm housing units in the series HC(1)-B State reports, as well as comparable statistics reported in both the population and housing files of Fourth Count summary tapes. The misclassification is limited to the farm - nonfarm components and is compensating between the components. Therefore, the population and housing unit figures for the rural areas as a whole are not affected, nor are the figures for urban areas and the State as a whole.

Corrected State rural farm and rural non-farm totals (total population and housing unit counts only) are now being prepared. These corrected totals for all States will be presented as soon as possible in a Census Users Bulletin, and those for counties will be available later in the summer.

Release of Fifth and Sixth Count Summary Tapes

The problem with farm - nonfarm data discussed above has caused some additional delay in tape release. The revised schedule is now:

Fifth Count	July 1972
Sixth Count	
Population	May - Sept. 1972
Housing	May - July 1972

Available Printed Reports and Summary Tapes

The following tables present information on the availability of 1970 census reports and summary tapes. See Census Users Bulletin No. 2 for ordering instructions.

Table 1

AVAILABILITY AND NUMBER OF 1970 CENSUS SUMMARY TAPES*

	1st Count		2nd Count		3rd Count	4th Count						6th Count	
						Population			Housing				
	File A	File B	File A	File B		File A	File B	File C	File A	File B	File C	Pop.	Hsg.
UNITED STATES													
ALABAMA	2	1	2	2	3	2	2	2	3	3	2		
ALASKA	1	1	1	1	1	1	1	1	1	1	1		
ARIZONA	1	1	1	1	3	2	1	1	2	1	1		
ARKANSAS	2	1	1	4	2	1	4	2	1	7	2		
CALIFORNIA	8	1	10	4	23	15	3	4	23	4	5		
COLORADO	1	1	2	2	4	2	1	1	3	2	2		
CONNECTICUT	1	1	2	2	4	3	1	2	4	1	2		
DELAWARE	1	1	1	1	1	1	1	1	1	1	1		
DIST. OF COLUMBIA	1	1	1	1	1	1	1	1	1	1	1		
FLORIDA	3	1	3	3	11	4	2	3	7	2	3		
GEORGIA	2	1	2	3	3	2	3	3	3	4	3		
HAWAII	1	1	1	1	1	1	1	1	2	1	1		
IDAHO	1	1	1	1	1	1	1	1	1	1	1		
ILLINOIS	5	2	5	6	11	7	5	3	10	8	4		
INDIANA	3	1	2	4	5	3	3	3	4	5	3		
IOWA	2	2	1	5	3	1	4	2	2	8	2		
KANSAS	2	1	1	5	4	1	4	2	2	8	2		
KENTUCKY	2	1	1	3	2	1	2	2	2	3	2		
LOUISIANA	2	1	2	2	4	2	2	2	3	3	2		
MAINE	1	1	1	2	1	1	2	1	1	3	1		
MARYLAND	2	1	2	2	4	4	1	1	5	2	2		
MASSACHUSETTS	2	1	3	3	8	4	2	2	6	2	3		
MICHIGAN	4	1	4	5	9	6	5	3	10	8	3		
MINNESOTA	2	2	2	8	4	2	6	2	4	12	2		
MISSISSIPPI	1	1	1	1	1	1	2	2	1	2	2		
MISSOURI	3	2	2	5	4	3	4	2	4	6	3		
MONTANA	1	1	1	2	1	1	1	1	1	2	1		
NEBRASKA	1	1	1	4	2	1	4	1	1	7	2		
NEVADA	1	1	1	1	1	1	1	1	1	1	1		
NEW HAMPSHIRE	1	1	1	2	1	1	1	1	1	2	1		
NEW JERSEY	3	1	4	3	10	6	2	2	8	3	3		
NEW MEXICO	1	1	1	1	1	1	1	1	1	1	1		
NEW YORK	6	1	9	5	21	14	3	3	20	5	4		
NORTH CAROLINA	2	1	2	4	3	3	4	2	4	5	2		
NORTH DAKOTA	1	1	1	1	1	1	1	1	1	2	1		
OHIO	5	2	5	6	11	7	5	4	10	8	4		
OKLAHOMA	2	1	2	2	3	2	2	2	3	2	2		
OREGON	1	1	1	2	4	2	1	1	2	2	1		
PENNSYLVANIA	5	2	6	9	13	8	7	3	11	12	4		
RHODE ISLAND	1	1	1	1	2	1	1	1	2	1	1		
SOUTH CAROLINA	1	1	1	2	3	2	2	2	2	2	2		
SOUTH DAKOTA	1	1	1	4	1	1	4	1	1	7	1		
TENNESSEE	2	1	1	3	5	2	2	2	3	3	2		
TEXAS	5	1	5	6	15	7	4	6	10	6	6		
UTAH	1	1	1	1	2	1	1	1	1	1	1		
VERMONT	1	1	0	1	1	0	1	1	0	2	1		
VIRGINIA	2	1	2	3	5	3	2	2	4	3	3		
WASHINGTON	2	1	2	2	6	2	2	1	3	3	2		
WEST VIRGINIA	1	1	1	2	1	1	1	1	1	2	1		
WISCONSIN	2	1	2	6	6	3	5	2	4	9	2		
WYOMING	1	1	0	1	1	0	1	1	0	1	1		
PUERTO RICO	2	1	1	4	2								

*Fifth Count tapes are not released on a State-by-State basis. File A consists of one tape for all 3-digit zip code areas in the U.S., and file B is composed of 12 tapes for 5-digit areas within SMSA's.

Table 2

Selected 1970 Census Final Reports

The following report series are either available in their entirety ("complete") or have one or more reports in print ("partial"). See attached tables for more information on the recently completed and partially released series. Additional information on any series may be obtained by writing to the Data Access and Use Laboratory, Data User Services Office, Bureau of the Census, Washington, D.C. 20233.

Series	Title	Release Status
PC(1)-A	Number of Inhabitants	Complete
PC(1)-B	General Population Characteristics	Complete
PC(1)-C	General Social and Economic Characteristics	Partial
HC(1)-A	General Housing Characteristics	Complete
HC(1)-B	Detailed Housing Characteristics	Partial
HC(3)	Block Statistics	Complete
PHC(1)	Census Tract Reports	Partial
PHC(2)	General Demographic Trends for Metropolitan Areas, 1960 to 1970	Complete
PHC(3)	Employment Profiles of Selected Low-Income Areas	Partial*

*PHC(3) reports (numbers 69-76) for selected rural counties are not yet available. See Census Users Bulletin No. 2, table 5, for information on the other reports in this series.

Table 3

TITLE:

PRICE OF REPORTS

IN STATE REPORT SERIES NOW BEING RELEASED

	PC(1)-B C3.223/6:970	PC(1)-C C3.223/7:970	HC(1)-B C3.224/3:967
UNITED STATES	$1.00		
ALABAMA	1.25	$2.25	$2.00
ALASKA	.65	1.25	1.00
ARIZONA	.60	1.50	
ARKANSAS	1.25	2.25	2.00
CALIFORNIA	1.75		
COLORADO	1.00	2.00	1.75
CONNECTICUT	1.00		
DELAWARE	.50	1.25	1.00
DIST. OF COLUMBIA	.40	1.25	1.00
FLORIDA	1.25		2.50
GEORGIA	1.75	3.25	3.50
HAWAII	.55	1.25	1.00
IDAHO	.75	1.50	1.50
ILLINOIS	2.00		
INDIANA	1.75		
IOWA	1.50		2.50
KANSAS	1.50	2.25	2.50
KENTUCKY	1.50		2.75
LOUISIANA	1.25	2.25	2.00
MAINE	.75	1.50	1.25
MARYLAND	.75	2.00	1.50
MASSACHUSETTS	1.25		
MICHIGAN	1.75		
MINNESOTA	1.75	2.25	2.50
MISSISSIPPI	1.00	2.00	2.00
MISSOURI	1.50	2.50	3.00
MONTANA	1.00	1.75	1.50
NEBRASKA	1.25	2.00	2.00
NEVADA	.60	1.25	1.25
NEW HAMPSHIRE	.60	1.50	1.00
NEW JERSEY	1.50		
NEW MEXICO	.70	1.75	1.25
NEW YORK	1.75		
NORTH CAROLINA	1.50		
NORTH DAKOTA	1.25	1.50	1.50
OHIO	1.75		
OKLAHOMA	1.25	2.25	2.00
OREGON	1.00	1.50	1.50
PENNSYLVANIA	2.25		
RHODE ISLAND	.55	1.50	1.00
SOUTH CAROLINA	1.00	1.75	1.75
SOUTH DAKOTA	1.25	1.50	1.75
TENNESSEE	1.25	2.25	2.25
TEXAS	2.50		
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WASHINGTON	1.00	2.00	1.50
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WYOMING	.60	1.00	1.25
PUERTO RICO	1.25		

Table 4

Price of Available
Block Statistics Reports
HC(3)
GPO Cat. #C3.224/5:970

All Block Statistics Reports are now available. The following list presents information for only those reports not announced in the 1970 Census Users' Bulletin No. 2.

Report No.	Urbanized Area	Price
18	Los Angeles - Long Beach, Calif.	$15.25
24	San Francisco - Oakland, Calif.	8.50
25	San Jose, Calif.	6.25
29	Selected Areas, Calif.	14.00
68	Chicago, Ill. - Northwestern, Ind.	16.00
106	Baltimore, Maryland	7.00
116	Springfield - Chicopee - Holyoke, Mass. - Conn.	5.00
135	Kansas City, Mo. - Kan.	7.25
153	Selected Areas, New Jersey	3.75
156	Albany - Schenectady - Troy, New York	3.50
159	New York, N.Y. - Northeastern New Jersey	
	Pt. 1 - New York City	11.00
	Pt. 2 - New York Portion, Outside New York City	13.25
	Pt. 3 - Northeastern New Jersey	12.25
161	Syracuse, New York	2.50
163	Selected Areas, New York	43.00
205	Pittsburgh, Pennsylvania	11.25
211	Providence - Pawtucket - Warwick, R.I. - Mass.	6.50
271	Milwaukee, Wisconsin	6.50
275	Mayagüez, Puerto Rico	1.50
276	Ponce, Puerto Rico	1.50
277	San Juan, Puerto Rico	2.25
278	Selected Areas, Puerto Rico	1.50

Table 5

Price of Available Census Tract Reports

Report Series PHC(1)

GPO Cat. # C3.223/11.970

Report No.	Standard Metropolitan Statistical Areas	Price
1	Abilene, Tex.	$ .60
2	Akron, Ohio	
3	Albany, Ga.	$ .55
4	Albany–Schenectady–Troy, N.Y.	
5	Albuquerque, N. Mex.	1.00
6	Allentown–Bethlehem–Easton, Pa.–N.J.	
7	Altoona, Pa.	.50
8	Amarillo, Tex	.60
9	Anaheim–Santa Ana–Garden Grove, Calif.	
10	Anderson, Ind.	
11	Ann Arbor, Mich.	
12	Appleton–Oshkosh, Wis.	.75
13	Asheville, N.C.	.55
14	Atlanta, Ga.	2.00
15	Atlantic City, N.J.	1.00
16	Augusta, Ga.–S.C.	.60
17	Austin, Tex.	1.00
18	Bakersfield, Calif.	.75
19	Baltimore, Md.	1.50
20	Baton Rouge, La.	1.00
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22	Beaumont–Port Arthur–Orange, Tex.	
23	Billings, Mont.	.50
24	Biloxi–Gulfport, Miss.	.55
25	Binghamton, N.Y.–Pa.	
26	Birmingham, Ala.	
27	Bloomington–Normal, Ill.	.50
28	Boise City, Idaho	.60
29	Boston, Mass.	
30	Bridgeport, Conn.	.70
31	Bristol, Conn.	
32	Brockton, Mass.	.50
33	Brownsville–Harlingen–San Benito, Tex.	.65
34	Bryan–College Station, Tex.	.45
35	Buffalo, N.Y.	

Report No.	Standard Metropolitan Statistical Areas	Price
36	Canton, Ohio	
37	Cedar Rapids, Iowa	$1.00
38	Champaign–Urbana, Ill.	1.00
39	Charleston, S.C.	1.50
40	Charleston, W. Va.	1.00
41	Charlotte, N.C.	1.00
42	Chattanooga, Tenn.–Ga.	1.00
43	Chicago, Ill.* Part 1 Part 2	
44	Cincinnati, Ohio–KY.–Ind.	
45	Cleveland, Ohio	
46	Colorado Springs, Colo.	1.00
47	Columbia, Mo.	.50
48	Columbia, S.C.	1.50
49	Columbus, Ga.–Ala.	
50	Columbus, Ohio	
51	Corpus Christi, Tex.	1.00
52	Dallas, Tex.	2.50
53	Davenport–Rock Island–Moline, Iowa–Ill.	1.50
54	Dayton, Ohio	
55	Decatur, Ill.	.60
56	Denver, Colo.	2.25
57	Des Moines, Iowa	.60
58	Detroit, Mich.	
59	Dubuque, Iowa	.45
60	Duluth–Superior, Minn.–Wis.	1.00
61	Durham, N.C.	.70
62	El Paso, Tex.	1.00
63	Erie, Pa.	.55
64	Eugene, Oreg.	1.25
65	Evansville, Ind.–Ky.	.65
66	Fall River, Mass.–R.I.	.50
67	Fargo–Moorhead, N. Dak.–Minn.	.55
68	Fayetteville, N.C.	1.00
69	Fitchburg–Leominster, Mass.	.55

Price of Available Census Tract Reports

Report Series PHC(1)

GPO Cat. # C3.223/11.970

(continued)

Report No.	Standard Metropolitan Statistical Areas	Price
70	Flint, Mich.	$ .70
71	Fort Lauderdale–Hollywood, Fla.	$1.50
72	Fort Smith, Ark.–Okla.	.55
73	Fort Wayne, Ind.	1.25
74	Fort Worth, Tex.	
75	Fresno, Calif.	1.50
76	Gadsden, Ala.	.50
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110	Lawton, Ohio	.50
111	Lewiston–Auburn, Maine	.45
112	Lexington, Ky.	.70
113	Lima, Ohio	
114	Lincoln, Nebr.	1.00
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136	Montgomery, Ala.	.65
137	Muncie, Ind.	.55
138	Muskegon–Muskegon Heights, Mich.	.55

Price of Available Census Tract Reports

Report Series PHC(1)

GPO Cat. # C3.223/11.970

(continued)

Report No.	Standard Metropolitan Statistical Areas	Price
139	Nashville–Davidson, Tenn.	$1.25
140	New Bedford, Mass.	.50
141	New Britain, Conn.	.50
142	New Haven, Conn.	.70
143	New London–Groton–Norwich, Conn.	.60
144	New Orleans, La.	2.00
145	New York, N.Y.* Part 1 Part 2 Part 3	
146	Newark, N.J.	
147	Newport News–Hampton, Va.	1.00
148	Norfolk–Portsmouth, Va.	1.50
149	Norwalk, Conn.	.50
150	Odessa, Tex.	
151	Ogden, Utah	.50
152	Oklahoma City, Okla.	
153	Omaha, Nebr.–Iowa	1.50
154	Orlando, Fla.	1.50
155	Oxnard–Ventura, Calif.	1.50
156	Paterson–Clifton–Passaic, N.J.	1.75
157	Pensacola, Fla.	1.25
158	Peoria, Ill.	.70
159	Philadelphia, Pa.–N.J.	
160	Phoenix, Ariz.	2.00
161	Pine Bluff, Ark.	.55
162	Pittsburgh, Pa.	
163	Pittsfield, Mass.	.45
164	Portland, Maine	.55
165	Portland, Oreg.–Wash.	
166	Providence–Pawtucket–Warwick, R.I.–Mass.	1.25
167	Provo–Orem, Utah	1.00
168	Pueblo, Colo.	.60
169	Racine, Wis.	.50
170	Raleigh, N.C.	.70
171	Reading, Pa.	1.00
172	Reno, Nev.	.60

Report No.	Standard Metropolitan Statistical Areas	Price
173	Richmond, Va.	$1.50
174	Roanoke, Va.	.50
175	Rochester, Minn.	.55
176	Rochester, N.Y.	
177	Rockford, Ill.	1.25
178	Sacramento, Calif.	
179	Saginaw, Mich.	
180	St. Joseph, Mo.	.55
181	St. Louis, Mo.–Ill.	
182	Salem, Oreg.	.60
183	Salinas–Monterey, Calif.	
184	Salt Lake City, Utah	1.25
185	San Angelo, Tex.	.50
186	San Antonio, Tex.	1.75
187	San Bernardino–Riverside–Ontario, Calif.	
188	San Diego, Calif.	
189	San Francisco–Oakland, Calif.	
190	San Jose, Calif.	
191	Santa Barbara, Calif.	
192	Santa Rosa, Calif.	.60
193	Savannah, Ga.	1.00
194	Scranton, Pa.	.60
195	Seattle–Everett, Wash.	2.00
196	Sherman–Denison, Tex.	.50
197	Shreveport, La.	1.50
198	Sioux City, Iowa–Nebr.	.50
199	Sioux Falls, S. Dak.	1.00
200	South Bend, Ind.	.70
201	Spokane, Wash.	1.25
202	Springfield, Ill.	1.00
203	Springfield, Mo.	.60
204	Springfield, Ohio	
205	Springfield–Chicopee–Holyoke, Mass.–Conn.	1.00
206	Stamford, Conn.	.55
207	Steubenville–Weirton, Ohio–W. Va.	
208	Stockton, Calif.	1.50

Price of Available Census Tract Reports

Report Series PHC(1)

GPO Cat. # C3.223/11.970

(continued)

Report No.	Standard Metropolitan Statistical Areas	Price
209	Syracuse, N.Y.	
210	Tacoma, Wash.	$1.00
211	Tallahassee, Fla.	.55
212	Tampa–St. Petersburg, Fla.	2.00
213	Terre Haute, Ind.	1.00
214	Texarkana, Tex.–Ark.	.55
215	Toledo, Ohio–Mich.	
216	Topeka, Kans.	.60
217	Trenton, N.J.	.60
218	Tucson, Ariz.	1.00
219	Tulsa, Okla.	1.50
220	Tuscaloosa, Ala.	.55
221	Tyler, Tex.	.55
222	Utica–Rome, N.Y.	1.25
223	Vallejo–Napa, Calif.	
224	Vineland–Millville–Bridgeton, N.J.	.50
225	Waco, Tex.	1.25
226	Washington, D.C.–Md.–Va.	
227	Waterbury, Conn.	.60
228	Waterloo, Iowa	.55
229	West Palm Beach, Fla.	1.25
230	Wheeling, W. Va.–Ohio	1.00
231	Wichita, Kans.	1.50
232	Wichita Falls, Tex.	
233	Wilkes-Barre–Hazleton, Pa.	.65
234	Wilmington, Del.–N.J.–Md.	1.00
235	Wilmington, N.C.	.55
236	Worcester, Mass.	.75
237	York, Pa.	
238	Youngstown–Warren, Ohio	
239	Mayagüez, P.R.	
240	Ponce, P.R.	
241	San Juan, P.R.	

Table 6

Price of Available
Metropolitan Housing Characteristics Reports

Report Series HC(2)

GPO Cat. #C3.224/4:970

Report No.	Metropolitan Area	Price
6	Albuquerque, New Mexico SMSA	$ .65
13	Appleton-Oshkosh, Wisconsin SMSA	.60
21	Baton Rouge, Louisiana SMSA	.65
24	Billings, Montana SMSA	.50
29	Boise City, Idaho SMSA	.55
47	Colorado Springs, Colorado SMSA	.55
58	Denver, Colorado SMSA	1.00
66	Eugene, Oregon SMSA	.55
83	Great Falls, Montana SMSA	.55
84	Green Bay, Wisconsin SMSA	.55
90	Honolulu, Hawaii SMSA	.55
96	Jackson, Mississippi SMSA	.65
102	Kenosha, Wisconsin SMSA	.55
104	La Crosse, Wisconsin SMSA	.55
105	Lafayette, Louisiana SMSA	.55
107	Lake Charles, Louisiana, SMSA	.60
111	Las Vegas, Nevada SMSA	.55
126	Madison, Wisconsin SMSA	.55

Table 6
(continued)

Report No.	Metropolitan Area	Price
134	Milwaukee, Wisconsin SMSA	$1.00
138	Monroe, Louisiana SMSA	.60
142	Nashua, New Hampshire SMSA	.50
155	Ogden, Utah SMSA	.55
166	Phoenix, Arizona SMSA	1.00
170	Portland, Maine SMSA	.55
171	Portland, Oregon-Washington SMSA	.55
173	Provo-Orem, Utah SMSA	.60
174	Pueblo, Colorado SMSA	.65
175	Racine, Wisconsin SMSA	.55
178	Reno, Nevada SMSA	.55
188	Salem, Oregon SMSA	.55
190	Salt Lake City, Utah SMSA	.60
205	Sioux Falls, South Dakota SMSA	.55
207	Spokane, Washington SMSA	.55
216	Tacoma, Washington SMSA	.55
222	Topeka, Kansas SMSA	.55
224	Tucson, Arizona SMSA	.65
237	Wichita, Kansas SMSA	.65

U. S. GOVERNMENT PRINTING OFFICE : 1972—481-333 (1305)

A UNITED STATES DEPARTMENT OF COMMERCE PUBLICATION

small-area data NOTES

Vol. 7, No. 5
May 1972

U S DEPARTMENT OF COMMERCE • Social and Economic Statistics Administration • BUREAU OF THE CENSUS

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MICROFICHE PACKAGES OF CENSUS REPORTS, 1968-1970

The National Technical Information Service (NTIS) of the Department of Commerce has recently produced microfiche copies of Census Bureau reports for 1968, 1969, and 1970. Microfiche is card-shaped microfilm on which page images (frames), up to 70 per microfiche sheet, are arranged in columns and rows. Except for 1970 Census of Population and Housing reports (available on microfiche from NTIS, but not part of this project), all Census Bureau reports in the following subject areas are included: General, agriculture, construction and housing, distribution and services, foreign trade, geography, governments, manufacturing and mineral industries, and population.

Because of handling difficulties and the small number of reports in some subject areas, the microfiche is being sold in single-year groups or as a complete 3-year package. The following table presents the prices and quantity of microfiche involved:

	Price	No. of Pages (Frames)
Three-year package (1968, 1969, 1970)	$295	110,000
1968 publications	125	31,000
1969 publications	145	45,000
1970 publications	125	34,000

To obtain additional information or place orders for microfiche, write to National Technical Information Service, Springfield, Va. 22151.

For sale by the Bureau of the Census, Washington, D.C. 20233, and U.S. Department of Commerce field offices. 10 cents.

SPECIAL TABULATION OF TRANSPORTATION DATA

Under a cost agreement with the Federal Highway Administration (FHWA), Department of Transportation, the Census Bureau has prepared a series of special computer programs which can be used at the Bureau to generate selected summary census data, specified by the FHWA and based on tabulations of the 1970 census 20-percent sample information, for traffic zones in the urbanized areas (UA's) of standard metropolitan statistical areas. The data summaries for each UA will be organized into four parts or groupings. Part I provide tabulations concerning characteristics of the residents and housing of each traffic zone within the UA; Part II, tabulations for the UA as a whole; Part III, tabulations concerning characteristics of the people working in each traffic zone in the UA; and Part IV, tabulations concerning mode of transportation for each traffic zone of residence by traffic zone of work within the UA (e.g., an estimated 75 persons travel by bus from traffic zone 10 to traffic zone 37 to get to work).

As in the case of the standard census summary data, these materials will be reviewed for disclosure suppression. The completeness of traffic zone of work data, as reflected in Parts III and IV, is dependent upon the adequacy of the work address furnished by each respondent. In the urbanized areas of SMSA's (generally confined to the city mail delivery area of these SMSA's), a respondent's reported place of work could usually be identified by census tract or block. However, some place-of-work responses could be coded only to higher-level geographic areas, such as the central city of an SMSA, the balance of the SMSA, a limited number of cities (namely, those of 20,000 or more population in 1970), or counties near the respondent's area of residence.

Each organization wishing to have these traffic zone tabulations prepared for an urbanized area will have to provide the Bureau with a listing of the codes for whole census tracts and/or census blocks which compose each of its traffic zones. To assist organizations, the Bureau will, as part of the cost of generating the data, provide a special listing of the tract, block, and enumeration districts (ED's) in the UA to which the organizations can attach the local traffic zone identification codes by referring to the census block maps of the area. The cross-reference listing as completed by the requesting organizations is essential in developing a set of traffic zone/census area equivalents which the Bureau can use when tabulating the data.

Based on current testing, estimated costs for producing the traffic zone data on IBM-compatible tape are shown below for selected urbanized areas (figures are approximate):

Albuquerque	$2,400
Duluth	2,800
Denver	8,300
Washington, D.C.	17,400
Los Angeles-Long Beach	28,000

If you wish to obtain a more complete description of the tabulations involved or to inquire about the cost of obtaining the traffic zone tabulations for a given area, please address a written request to the Users' Service Staff, Data User Services Office, Bureau of the Census, Washington, D.C. 20233. The preparation of an estimate will require approximately 2 weeks from receipt of your request.

Based on the current Bureau workload, once a signed cost agreement and funds are received by the Bureau, the user should allow 2 to 3 weeks for the preparation and delivery of his "equivalency" printout on which he will list the traffic zone numbers associated with each census tract, ED, or block. After the user returns the completed "equivalency" list to the Bureau, approximately 1 month will be required to complete the traffic zone data for a given area, depending upon the Bureau workload at the time.

PANEL TO DISCUSS CENSUS DATA

As part of the American Library Association's annual conference in Chicago, the Law and Political Science Section of the Association of College and Research Libraries will hold a panel discussion on "The U.S. Census from 1790-1970: a Multi-Media Approach." Scheduled for June 26 at 8:30 p.m., the discussion will focus on the availability and use of census material.

Panel participants are:

Judith S. Rowe, Manager, Princeton-Rutgers Census Data Project, Princeton University, who will discuss the development of social science data archives, the relation of these archives to the traditional library, and the problem of bibliographic documentation and control of machine-readable data files.

Jerome Clubb, Director of the Historical Archive, Inter-University Consortium for Political Research, University of Michigan, who will discuss the availability of census materials, from 1790 to the present, in machine-readable form, as well as the availability of related materials such as election statistics and congressional roll call data.

Theodore Hershberg, Director of the Philadelphia Social History Project, University of Pennsylvania, who will describe his project which includes the collection and conversion into machine-readable form the great quantities of census records relating to population characteristics for 19th century Philadelphia.

John C. Beresford, President, National Data Use and Access Laboatories, Inc. (DUALabs), Arlington, Va., who will discuss the newly organized Clearinghouse and Laboratory for Census Data.

Formal presentations will be brief, designed to provide orientation to librarians who may be familiar only with the printed census reports. After their presentations, the panelists will answer questions from the audience.

Further information concerning the conference can be obtained from the American Library Association, 50 East Huron, Chicago, Ill. 60611.

1970 Census Map Inventory Created

A variety of maps was prepared for use in the data collection activities of the 1970 census. These same maps are not only useful, but in many cases necessary, to relate the published statistics to the land areas for which they are tabulated. To facilitate acquisition of the maps, an inventory has been prepared which lists all of the maps available for each State, county, and place, along with the cost and number of sheets required. Names and codes of the geographic areas are also presented (see example on p. 4). Thus, by checking the inventory for any of these areas, the map sheets required and their cost can be quickly determined. The inventory includes all 50 States and the District of Columbia, but not the outlying areas.

The maps listed in the inventory are of four types: The Metropolitan Map Series (MMS), which essentially covers the urbanized areas of all SMSA's; county maps for areas not involved in the MMS; place maps for virtually all incorporated places reported in the 1970 census outside the MMS coverage; and vicinity maps used to show block numbers in the vicinity of localities which contracted for block statistics.

The census map inventory would normally not be of value to persons interested in obtaining MMS maps for an entire urbanized area, since the block statistics reports, series HC(3), include for such areas MMS maps which have color and shading and are less expensive than those referenced in the inventory. However, a person interested in maps for a portion of an urbanized area may find it less expensive to get specific map sheets directly from the Census Bureau. The inventory will indicate which map sheets to order, as well as their cost. It will also be useful when ordering place maps and county maps containing enumeration district and other census boundary designations that are not found in any census reports.

Department of Commerce field offices and the Bureau's regional Data Collection Centers have a census map inventory for the Nation on hand so that price information may be provided to users. Further information about the inventory may be obtained from the Users' Service Staff, Data User Services Office, Bureau of the Census, Washington, D.C. 20233. The price of the inventory is $2 for individual States and $75 for the complete set.

Sample Census Map Inventory

St. & Co. Code	Place Code		No. of ED's	Cost	Vicinity maps or MMS series name	Number of sheets	Sheet numbers
08		Colorado					
		No. met. map sheets 39		$35.00			
		No. vicinity map sheets 16		37.00			
		No. county map sheets 137		116.00			
		No. place maps 235		320.00			
		No. one ED maps 175		-			
		Cost-all maps		508.00			
		Cost-all maps excl. 1 ED		295.00			
08001		Adams					
		No. met. map sheets 9		9.00	Denver	9	1-6,10,11,23
		No. county map sheets 2		2.00			
		No. place maps 2		3.25			
		No. one ED maps 1		-			
		Cost-all maps		14.25			
		Cost-all maps excl. 1 ED		12.75			
08001	0040	Arvada		1.00	Denver	1	6
08001	0055	Aurora		2.00	Denver	2	10,11
08001	0075	Bennett		[illegible]			

NIMH DEVELOPS SMALL-AREA PROFILES

The National Institute of Mental Health (NIMH) has almost completed its project to prepare demographic and socioeconomic profiles, using 1970 census and vital statistics data, of mental health catchment areas (service areas), census tracts, and counties. Items from the Second and Fourth Count Summary Tapes are used to prepare indicators of socioeconomic status, ethnic composition, household composition and family structure, "style of life" (urbanization), condition of housing, and community instability. A few of the indicators derived from the Second Count and presented for census tracts are shown in the table below.

Profiles drawing upon the Second Count tapes are now available; profiles drawing upon the Fourth Count tapes should be ready within the next few months. Persons interested in obtaining these small-area profiles should contact the State mental health authorities of the State for which they want data. If the State agency is not able to furnish the profiles or if information from more than one State is needed, write to Mrs. Beatrice Rosen, National Institute of Mental Health, Room 18C-18, 5600 Fishers Lane, Rockville, Md. 20852, for information on how the profiles can be obtained.

A detailed description of the project is provided in *Methodology Reports*, "1970 Census Data Used to Indicate Areas with Different Potentials for Mental Health and Related Problems" (Mental Health Statistics Series C, No. 3, DHEW Publication No. (HSM) 72-9051, October 1971), which outlines the data items selected from the Second and Fourth Count Summary Tapes and vital statistics sources. This report can be ordered from the Biometry Branch, National Institute of Mental Health, Room 18C-25, 5600 Fishers Lane, Rockville, Md. 20852.

TABLE 1b (cont.). SELECTED CENSUS TRACTS WITHIN CATCHMENT AREA

SELECTED STATISTICS FOR DANE COUNTY WEST COMMUNITY MENTAL HEALTH CENTER CATCHMENT AREA BY SUBUNIT BASED ON THE 1970 CENSUS SECOND COUNT SUMMARY TAPE. (TEST REEL DATA, 1968 DANE COUNTY DRESS REHEARSAL CENSUS.)

SUBUNIT	ETHNIC COMPOSITION: Percent household population		HOUSEHOLD COMPOSITION AND FAMILY STRUCTURE				STYLE OF LIFE	CONDITION OF HOUSING	
	Negro (9)	Other nonwhite (10)	Percent households husband-wife (11)	Median age household head (12)	Youth dependency Ratio (13)	Aged dependency Ratio (14)	Percent units in one unit structures (15)	Percent persons in overcrowded housing (16)	Percent units standard (17)
All tracts									
Statistic	0.9	1.2	72.6	42.6	63.9	12.8	65.4	13.1	96.5
Base Population	119,334	119,334	37,083	37,083	67,544	67,544	38,839	119,334	37,083
Tract 1.00									
Statistic	0.2	1.1	77.0	40.8	66.9	8.7	81.6	15.5	99.3
Base Population	3,004	3,004	918	[illegible]	1,711	1,711	957	3,004	918

DEPOSITORY LIBRARY PROGRAM FOR GOVERNMENT REPORTS

To assure wide availability of Federal Government publications for public reference, Congress has designated 1,077 libraries throughout the United States as Federal Government Depository Libraries. Through these libraries, reference copies of Federal Government documents are made available to residents of every State, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands. The Depository Libraries are entitled to receive through the Government Printing Office all Census Bureau reports if they so choose. If they desire, the libraries may select only those series best suited to the needs of their patrons.

The Census Bureau Depository Library system is supplementary to the Government Depository Libraries. It is composed of 102 libraries designated by the Bureau in order to make Census Bureau publications available for reference use to areas or groups not served by Government Depositories. The Census libraries automatically receive copies of all publications published by the Bureau of the Census.

A list of Federal Government and Census Bureau Depository Libraries in your State can be obtained from the Publications Distribution Section, Social and Economic Statistics Administration, U.S. Department of Commerce, Washington, D.C. 20233.

Feedback Projects Underway

Two projects are now underway to obtain comments and suggestions from census users and Summary Tape Processing Centers on problems and improvements concerning decennial census products. In one project, a questionnaire will be sent to a large portion of *Small-Area Data Notes* subscribers. In the other, visits will be made to a sample of the Summary Tape Processing Centers in various parts of the country.

The questionnaire is now in the final stages of preparation. After printing, it will be sent to a sample (probably one-fourth) of *Small-Area Data Notes* subscribers. Persons receiving it will be asked for comments and suggestions concerning *Small-Area Data Notes*, *Data Access Descriptions*, the *1970 Census Users' Guide*, Census summary tapes, processing centers, and several other topics. It is hoped that the response received will help pinpoint problems in current products and services and include a number of good suggestions for improvements.

Staff members of the Census Bureau's Data Collection Centers, located in 12 cities throughout the country, will be largely responsible for the other project, which has just recently been

launched. They will visit a sample of approximately 50 processing centers in an effort to obtain information on center activities, problems with Bureau products, examples of data use, and similar subjects. In addition, members of the Data Access and Use Laboratory staff will visit a selected group of centers which, on the basis of materials sent to the Census Bureau during the past few years, seem to be especially active or innovative. The project should furnish useful feedback and also increase and improve communication between the centers and the Census Bureau.

Several other projects of this nature are being studied by the Census Bureau for the future. These would include seeking specific suggestions for adding, deleting, and modifying tabulations for future population and housing summary tapes, as well as making intensive efforts to obtain examples of census use which could be passed on to other users through *Small-Area Data Notes* or brief papers.

Federal Sources for Census Products and Services

The list below presents the name, address and phone number, and general activity of the main Federal sources of information about products and services resulting from the 1970 census. Some of the products and services listed are also available from the approximately 160 Summary Tape Processing Centers located throughout the country. These centers have announced their intentions of providing data services such as tape copying, preparation of printouts, extraction of selected data, etc., to users on a local, regional, or national level.

Users' Service Staff, Data User Services Office, Bureau of the Census, Washington, D.C. 20233.--Handles orders for 1970 summary tapes, DIME files, maps; provides information on special tabulations and release dates for census products.
Phone 301-763-5266.

Data Access and Use Laboratory (address same as above).--Provides general and technical assistance; provides user information services including seminars, conferences, SAD Notes, and Data Access Descriptions.
Phone 301-763-7454.

Census Use Study (address same as above).--Conducts research on use of DIME files and related software (FIXDIME, UPDIME, ADMATCH, GRIDS, etc.) and on geocoding systems for local data.
Phone 301-763-7491.

Publications Distribution Section, Social and Economic Statistics Administration, Washington, D.C. 20233.--Distributes order forms and other information about the printed reports and microfiche.
Phone 301-763-5853.

Government Printing Office, Washington, D.C. 20402.--Sells printed reports.
Phone 301-783-3238.

National Technical Information Service, Springfield, Va. 22154.--Sells microfiche of printed reports.
Phone 703-321-8549.

INTERGOVERNMENTAL SEMINAR

The Bureau of the Census held its Seventeenth Intergovernmental Seminar on Federal Statistics for State and Local Government Use during the week of March 13, 1972, in Washington, D.C. Conducted as part of the Bureau's intergovernmental services program, the seminar was attended by 21 representatives from State, county, and city governments, as well as members of regional planning organizations. Bureau Director George H. Brown opened the seminar with an overview of current Census Bureau programs and plans for future projects designed to meet data needs of local areas.

In addition to staff members of the Bureau of the Census, speakers on the seminar program were from the Office of Management and Budget; Bureau of Economic Affairs, Department of Commerce; Department of the Treasury; Department of Labor; Department of Housing and Urban Development; Department of Health, Education, and Welfare; Department of Transportation; and the Government of the District of Columbia.

The highlight of the seminar was the luncheon held March 16 at which guest speaker Edgar R. Fiedler, Assistant Secretary for Economic Policy, U.S. Department of the Treasury, discussed "Review and Appraisal of Federal Revenue Sharing Proposals."

TRANSPORTATION CENSUS CONDUCTS TRUCK INVENTORY

Another measure of the Nation's business activity was started in March with the mailing of some 9,000 questionnaires to truck owners in four States by the Bureau of the Census.

Called the Truck Inventory and Use Survey, the project is the second part of the 1972 Census of Transportation, one of the 1972 Economic Censuses. In February, questionnaires were

mailed out in the National Travel Survey, the first of the three major parts of the Transportation Census. The third part, to be taken in early 1973, is the Commodity Transportation Survey. The Census of Transportation is designed to obtain essential transportation statistics that are not available from other sources such as the Interstate Commerce Commission, the Department of Transportation, etc.

Statistics to be developed from the survey will yield data concerning the Nation's trucking resources, such as the number of trucks classified by their physical characteristics, occupational use, measures of the intensity of utilization, and geographic distribution of vehicles. Most of the data will be available in printed reports, but there will be additional data available on tapes.

New Summary Tape Processing Centers

The following organizations have been recognized as Summary Tape Processing Centers during the past month:

Managed Marketing
Attn: Joseph J. Weissmann
President
Post Office Box 523
Bolton, Conn. 06040

Evaluation, Systems, & Planning, Inc.
Attn: Dr. Laurence H. Baker
321 Shops Building
Des Moines, Iowa 50311

S.T. Brightbill & Associates, Inc.
Attn: Steven T. Brightbill
25 South St.
Braeside 112
Marcellus, N.Y. 13108

CENSUS USE STUDY

DIME File Workshops

The Census Use Study of the Bureau of the Census, with the cooperation of the National Association of Regional Councils and with the support of the Department of Housing and Urban Development and the Ford Foundation, is holding a series of training workshops to instruct local government personnel in the use of the DIME files and related computer technology. The first workshop, to be held in Indianapolis in June 1972, will launch the Census Use Study's national educational effort. Other workshops in different cities around the United States will be held during the coming year.

Representatives from 10 SMSA's have been invited to participate in the first workshop. Time, resources, and the nature of the training demand that the workshops remain small. Those who would benefit most from the training would be personnel with responsibility for making the DIME files operational or for understanding the capabilities of geographic base files as management tools.

Workshop participants will learn and apply techniques for small-area data analysis. Census Use Study professionals and other workshop experts will work with small groups of participants to explain the application of the techniques to actual local data problems developed by the participants themselves.

For further information, write to the Census Use Study, Data User Services Office, Bureau of the Census, Washington, D.C. 20233.

ADMATCH/OS Developed

A new version of the ADMATCH programs, specifically designed for more rapid processing of large files on medium and large computers, has been developed by the Census Use Study. Called ADMATCH/OS, this version will operate on the large 360 computers under the IBM System/360 Operating System (OS). It joins the existing versions of ADMATCH which are available for use under the 16K Disk or Tape Operating Systems (DOS or TOS). All the ADMATCH programs are written in IBM System/360 Assembler Language. A publication on "COBOL ADMATCH" is planned for release by this summer.

The ADMATCH/OS package includes two new programs not available with the DOS package. Under the new version, the minimum core storage requirement is 32K bytes; a line printer and three magnetic tape or disk units are needed. The ADMATCH/OS computer package (computer program tape and user's manual) is available for $70 from Users' Service Staff of the Census Bureau. The user's manual is available separately for $1 from the Publications Distribution Section of the Social and Economic Statistics Administration or from any Commerce field office.

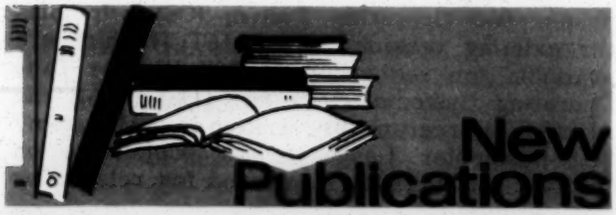
DIME File Meetings

"Spatial Dimensions of Data," a brainstorming session on the quality, uses, and expansion of the DIME files, was held at the Census Bureau recently. Representatives were invited from the University of Pittsburgh, the University of Michigan, and the University of Kansas. Representatives from France and Israel, two countries which are now testing the benefits of the DIME file, also attended the meeting. Two of the Census Bureau's Associate Directors were present, as well as personnel from the Geography Division and the Census Use Study.

Additional meetings are planned for the future, including an international meeting in October of this year to provide an interchange of information and computer products among countries using the DIME file approach.

Papers

Two papers prepared by Bureau of the Census staff members for the Joint Computer Conferences conducted by the American Federation of Information Processing Societies, Inc., are available from the Census Use Study. "Geocoding Techniques Developed by the Census Use Study," by Caby C. Smith and Marvin S. White, Jr., was presented at the 1971 fall conference in Las Vegas, Nev. The second paper, "UNIMATCH: A Computer System for Generalized Record Linkage Under Conditions of Uncertainty," was recently delivered by Matthew A. Jaro at the 1972 spring conference held in Atlantic City, N.J. The UNIMATCH system will allow a more sophisticated solution to geographic coding problems associated with transportation and public safety information systems or subsystems.



The Methods and Materials of Demography, a two-volume work intended to serve as a text for courses on demographic methods and as a reference for professionals who work with population data, has been published by the Bureau of the Census. The volumes deal with the sources, limitations, underlying definitions, and bases of classification of demographic data, as well as with techniques and methods that have been developed for summarizing and analyzing them. Topics covered include formal demography and the study of many social and economic characteristics of the population.

The book attempts to give a comprehensive exposition of the methods used by technicians in dealing with demographic data. The derivation of the demographic measures described is typically illustrated by step-by-step examples using actual statistics. The material is presented in such a form, however, that knowledge of advanced mathematics is not essential to its understanding.

Volume One is divided into three parts: Demographic Data, Population Size and Distribution, and Population Composition. Volume Two has two parts: Population Dynamics; and General Methods, Estimates and Projections.

Copies of the two-volume set, *The Methods and Materials of Demography*, 959 pages, are available for $7 from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Order

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The Federal Statistics Users' Conference (FSUC) Newsletter of February 14, 1972, is largely devoted to a summary of ***Federal Statistics: Report of the President's Commission.*** (***Federal Statistics*** is a two-volume report issued in 1971 and available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, at a cost of $4 per set, GPO No. 4000-0269.) The newsletter summarizes the treatment in ***Federal Statistics*** of such subjects as standards of quality, social statistics, and small-area statistics. Occasional FSUC comments on the commission report are included, and a paper by Dr. A. Ross Eckler, former Director of the Bureau of the Census, is presented in full.

The issue also contains an article on the recent reorganization of statistical agencies in the Department of Commerce and related organization charts. Copies may be obtained from the Federal Statistics Users' Conference, 1523 L Street, N.W., Washington, D.C. 20005.

The Federal Statistics Users' Conference is a nonprofit research, educational, and service organization whose member groups have a common interest in encouraging the development of adequate, timely, and reliable information of optimum usefulness at minimum cost from Federal statistical programs. FSUC's membership includes business firms, labor unions, nonprofit research organizations, State and local governments, colleges and universities, and trade associations. The FSUC regular monthly newsletter reports on the current availability of Federal statistical reports and studies, including highlights from such reports.

☆ U. S. GOVERNMENT PRINTING OFFICE : 1972—481-333 (1307)

A UNITED STATES DEPARTMENT OF COMMERCE PUBLICATION

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Data Access Description

Collection, Evaluation, and Processing Series, CEP-6

DAD No. 28
May 1972

U S DEPARTMENT OF COMMERCE • Social and Economic Statistics Administration • BUREAU OF THE CENSUS

Delineation of Problem Housing Areas

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INTRODUCTION

The Bureau of the Census has been concerned with the development of reliable measures of housing quality since it first collected housing statistics on a large scale in the 1940 Census of Housing. In the decennial censuses from 1940 through 1960, the Census Bureau collected data about the structural condition of housing by direct observation. These data have proved to be unreliable and inaccurate.

In the 1970 census, the Census Bureau did not collect information on the structural condition of housing. It did collect data on the presence of complete plumbing facilities, which in 1940, 1950, and 1960 have been used in combination with condition data to provide a key criterion for evaluating the adequacy of the Nation's housing. In response to urgent requests from users of housing statistics, however, the Bureau agreed to provide estimates of substandard housing in 1970 for all cities of 10,000 or more and for counties.

The term "substandard" is not an official Census Bureau classification. For the purposes of this Data Access Description, the definition used by the Federal housing agencies has been adopted: A substandard housing unit is one which was (1) rated dilapidated by a census enumerator, or (2) lacked one or more of the following facilities: Piped hot water, flush toilet for private use, bathtub or shower for private use.

The Bureau of the Census suggests that those interested in evaluating the quality of housing at the small-area level use 1970 housing data, available on summary tapes and in the printed reports, as a basis for delineating and studying problem housing areas. A possible method of using 1970 data in the study of housing and neighborhood quality at the local level is described in this Data Access Description. In addition, background information is provided on the methods of collecting data on quality of housing in past censuses; the resulting data are evaluated; and the 1970 "substandard" housing estimates to be published in volume VI of the housing report series are briefly described.

There is no precise solution to the problems of defining substandard housing and of locating areas where such housing exists. The procedures outlined in this Data Access Description are designed to be suggestive. They are limited as to kinds of data and their use. Valuable data for delineating problem areas can also be obtained from police, welfare, health and education departments.

BACKGROUND--MEASURING HOUSING QUALITY IN PREVIOUS CENSUSES

In each of the decennial censuses from 1940 to 1960, the Census Bureau had enumerators

assess the structural condition of housing by direct observation. The criteria and terminology for judging structural condition were changed for each census, based on the results of data from each previous census. The method of collecting these data in the 1940, 1950, and 1960 censuses and the quality of the resulting statistics for each decade are discussed briefly below.

1940 Census of Housing

In the 1940 census, "state of repairs" was used as an indicator of the structural quality of housing units. Under the major classification of state of repairs were two categories: units "not needing major repairs" and units "needing major repairs." A unit was to be classified as needing major repairs if parts of the structure, such as floors, roof, walls, or foundation, required major repairs or replacements. The enumerator judged the repair to be major on the basis of whether or not the continued neglect of the deficiency would impair the soundness of the structure and create a hazard for its occupants.

This concept measured only the physical condition of the structure; it did not indicate the level of quality. Under this concept, a tarpaper shack or a unit with a dirt floor may have been classified as not needing major repairs even though it may not have provided adequate protection from the elements. In addition, the state of repairs measurement required a judgment by the enumerator regarding a future condition: Whether or not the continued neglect of the deficiency would impair the soundness of the structure and create a hazard.

Dissatisfaction with the results of the state of repairs concept was so great that an Interdepartmental Subcommittee on Housing Adequacy was appointed by the Bureau of the Budget in 1945 to investigate the problems of measuring the quality of housing. The subcommittee worked closely with representatives of the Census Bureau and the 1950 Census of Housing Technical Advisory Committee to develop the concept "condition of structure," which was to be used as the indicator of structural quality in the 1950 Census of Housing.

1950 Census of Housing

The concept of "condition of structure" was first employed in the 1950 census and, in accordance with it, housing units were classified as either "not dilapidated" or "dilapidated." A unit was to be reported as dilapidated if it had one or more serious deficiencies or was of such poor original construction that it provided inadequate shelter or endangered the safety of the occupants. In addition, a unit was to be classified as dilapidated if it had a combination of minor deficiencies to the extent that it did not provide protection against the elements or was physically unsafe.

Although the condition of structure concept was considered an improvement over the state of repairs concept, many users of the 1950 statistics, particularly those concerned with urban renewal, expressed the need for an intermediate level of condition. In preparation for the 1960 census, the Census Bureau, assisted by an Interdepartmental Subcommittee on Housing Adequacy, developed a two-fold classification--sound or deteriorating--to replace the 1950 category "not delapidated."

1960 Census of Housing

In the 1960 census, special efforts were made to maintain the 1950 definition "dilapidated." The 1950 "not dilapidated" category was subdivided in 1960 into two categories, sound and deteriorating. A sound unit was one which had no defects or only slight defects which normally would be corrected during the course of regular maintenance. A deteriorating unit was defined as needing more repair than would be provided during the course of regular maintenance.

The difficulty experienced by enumerators in 1960 in determining whether or not housing units should be classified as dilapidated had an adverse effect on the quality of the statistics for the standard-substandard classification as used by the Federal housing agencies. Evidence indicates that about one-fourth of the units which could be classified as substandard from the findings of one group of enumerators would have been differently classified according to the findings of another group of enumerators. The accuracy of data contained in cross-tabulations using the standard-substandard classification was affected adversely since, of necessity, it depended on the accurate rating of individual units. However, trends in substandard housing appear to have been measured adequately for the decade 1950 to 1960.

Procedural Summary

Procedurally, the application of the concepts for evaluating housing was virtually the same in the 1940, 1950, and 1960 decennial censuses. The enumerators were instructed to observe each unit and to make an overall judgment based on specified criteria. The overall judgment was to be made for each unit separately, regardless of the neighborhood, age of structure, and race of the occupants. Unlike 1940, when the Enumerator's Reference Manual was the only training source, the enumerators in 1950 were provided with detailed written criteria and instructions, as well as photographs depicting the two levels of condition (dilapidated and not dilapidated). In addition, audiovisual techniques were used to train enumerators. In 1960 the training techniques were essentially the same as in 1950, except that modifications were made to reflect the three-way

classification. The 1960 enumerators were instructed to determine, first, whether a unit was dilapidated or not dilapidated in order to maintain comparability with the 1950 enumeration of condition. Then, if the unit was not dilapidated, the enumerators were to determine whether it was sound or deteriorating.

However, post-enumeration studies after the censuses of 1950 and 1960 disclosed that the information collected on structural condition of housing in these censuses was unreliable. Of the occupied units classified as dilapidated by the post-census enumerators, only about 48 percent had been similarly classified by the regular census enumerators in 1950 and 38 percent in 1960. Also, the 1960 Content Evaluation Survey disclosed that there was a net understatement of more than one million dilapidated occupied housing units in 1960. Additional detail on the reliability and accuracy of statistics in the 1950 and 1960 censuses can be found in Census Bureau Working Paper No. 25, Measuring the Quality of Housing: An Appraisal of Census Statistics and Methods.

THE 1970 CENSUS OF HOUSING

Estimates of substandard housing will be published in volume VI, which is expected to be available by the end of 1972. These statistics will be presented as a single figure for each city of 10,000 or more inhabitants and for each county, SMSA, State, division, and region of the United States for the following categories: Negro, and white and other races, by renter- and owner-occupied units and year-round vacant units.

The 1970 substandard housing figure will be the sum of two categories: (1) units counted in the 1970 census which lack complete private plumbing facilities and (2) an estimate of the number of units with complete private plumbing facilities that would have been rated dilapidated in 1970, according to the Census Bureau's estimating procedure. The details of this computational method are described in "Proposed Procedure for Estimating Substandard Housing in 1970"; copies are available from Housing Division, Bureau of the Census, Washington, D.C. 20233.

USING 1970 CENSUS DATA LOCALLY TO DELINEATE PROBLEM HOUSING AREAS

Although 1970 census data are not sufficiently detailed to permit identification or classification of individual housing units as poor or substandard, it is possible to use census data to identify specific areas, such as blocks, tracts, and minor civil divisions, in which poor housing is probably located. These areas will be termed "problem housing areas."

It should be stressed that there is no generally accepted set of criteria for defining substandard housing. Nevertheless, although precise criteria are wanting, this term is generally understood to refer to housing which is characterized by conditions that are hazardous to health and safety and are detrimental to the general welfare. It is in that sense that the terms poor or substandard are used in this section.

The emphasis on small-area analysis at the local level stems from the view that an adequate assessment of the amount of substandard housing requires an evaluation not only of the residential structure but of its enviroment as well. This view is elaborated in the report to Congress and the President, "Building the American City," prepared in 1968 by the National Commission on Urban Problems. In one of a number of comments on this point, the Commission asks:

> "Is a unit correctly defined as standard under available data if the lot next door is littered with garbage; if police protection is limited; if street lights are not provided; if the sidewalk is buckled; if the street is full of potholes; if a liquor store is found on each corner; if sewers are nonexistent or inadequate; if the noise level is excessive; or if a rendering works is found in the block (as is true along the waterfront in the otherwise exclusive Georgetown area of Washington, D.C.)?"

Selection of Areas Suitable for Study

The basic unit of action in most localities is likely to be a group of city blocks. The scope of an area selected for treatment will depend upon a number of factors. One of the most important of these is the extent to which individual blocks in a selected area are similar or identical in their housing and household characteristics.

The definition of problem housing areas is best made by comparison. Therefore, it is suggested that the study area be defined to include fringe as well as hard-core problem sections.

Census Indicators of Problem Housing Areas

A number of measures are relevant as indicators of substandard housing. These are classified in table 1 according to type and availability by census tracts (or minor civil divisions) or blocks in the 1970 census publications. A more detailed outline of cross-tabulations of the items in table 1 is shown in tables 2 and 3, which refer to

data contained in the Third and Fourth Count Summary Tapes.[1] The tapes contain considerably more detail than do the printed reports.

The items listed in table 1 are not intended to be all-inclusive nor should they be considered equally applicable in all areas. Because circumstances vary from place to place, it is unlikely that every item will be of equal importance for all cities or even for all areas within the same city. For example, if low rent is selected as a criterion, one should be aware of the special situation posed by public housing. Census data should be used to supplement, not to replace, knowledge of local conditions.

Suggested Uses of Census Data for Studying These Areas

Once the areas in need of further investigation have been located and census indicators of problem housing considered, the next step is to decide how to use this information. Census statistics can be used in a number of ways to study problem areas. A suggested set of items useful for this purpose is shown below, identified by the column numbers under which they appear in the published 1970 census reports, Block Statistics, Series HC(3). Local conditions should determine which of these items are most appropriate in a given situation.

Suggested Items From Table 2, Block Statistics Reports

	Column Number
Structure and Facility Statistics	
1. All year-round housing units lacking some or all plumbing facilities	Col. 8
Occupancy and Utilization Statistics	
2. Housing units with 1.01 or more persons per room	Col. 21
3. Housing units with 1.01 or more persons per room, lacking complete plumbing facilities	Subtract col. 22 from col. 21
Economic Status	
4. Average value of owner-occupied housing units	Col. 14
5. Average contract rent of renter-occupied housing units	Col. 19
Household Composition	
6. One-person households	Col. 23
7. Families with female head	Col. 24
8. Units with roomers, boarders, or lodgers	Col. 25

At the simplest level of study it may be sufficient to identify blocks according to the characteristics--selected from those suggested above--which are present. For example, a checklist would identify blocks which have rent or value below specified amounts, percent of units which lack plumbing, etc. (See illustration on p. 5.) Blocks could be grouped according to the number or kind of items checked for each block. Perhaps the most difficult decision in this procedure would be the determination of a cutoff for rent and value which would represent a problem area and would depend upon local conditions. A visual examination of several pilot blocks, compared with their average rent as reported in the census, might provide a "feeling" for a practical cutoff. Such factors as type of housing unit, presence of public housing, and other environmental factors would have to be considered.

The use of maps to display the various kinds of data indicative of problem housing areas can be very helpful in understanding the geographic implications of the data. Different kinds of data can be displayed in varying patterns (i.e., color, shading, and crosshatching) and as a result, spatial relationships and trends become immediately apparent. Data maps can also be produced by computer.

At a more complex level, it may be useful to examine blocks not only according to the presence of certain characteristics, but also according to the degree these characteristics are present. One way to measure this degree is to limit the items to be checked off to those which exceed a specified standard. Citywide averages could serve as such a standard. Thus, suppose that 6 percent of the occupied units in a particular city are occupied by 1.01 or more persons per room. Using this hypothetical situation, one could locate problem areas by identifying those blocks in which the proportion of such units exceeds the citywide average (6 percent) plus some constant, e.g., 2 percent. Whatever the constant, it should distinguish blocks with a high concentration of the selected characteristic. It should also be possible, by employing a range of

[1] Part of a series of six summary tapes from the 1970 Census of Population and Housing. The Third Count Summary Tapes contain complete-count (100-percent) summary statistics for blocks. The Fourth Count Summary Tapes provide sample data down to the level of census tracts and minor civil divisions. Further information on this program may be obtained by writing to the Chief, Data User Services Office, Bureau of the Census, Washington, D.C. 20233.

Blocks by Selected Indicators of Problem Housing Areas

Block number	Rent (or value) below specified amount	Units lacking some or all plumbing facilities	Units occupied by 1.01 or more persons per room	Households with female head of family	Households with roomers, boarders, or lodgers	Total indicators in each block
101	X	X		X		3
102	X	X	X	X	X	5
103	X		X	X		3
104		X	X			2
201	X	X		X	X	4
202						0
203	X	X	X	X		4

cutoffs (e.g., city average plus 2 percent or less; city average plus 2 to 4 percent, etc.), to obtain some indication of relative severity of conditions in different neighborhoods.

The same method used for blocks can be applied to census tracts. Although a much wider array of data is available by census tracts than by blocks, census tracts have an offsetting disadvantage in that boundaries of problem neighborhoods may not correspond to census tract boundaries.

If census tracts are to be the basic survey areas, it is suggested that only those factors be recorded in each tract for which the level of occurrence is greater than a specified norm or standard, e.g., the citywide proportion of units with the specified characteristic.

A relatively simple method to determine the order of severity of poor neighborhood and housing conditions in blocks (or tracts) is to (1) rank each block or tract in the survey area by the percent of units or households with specified characteristics, (2) sum the ranks of the various characteristics for each block or tract, and (3) order the blocks or tracts by those sums. It is necessary that, for each characteristic, the rank of 1 have the same meaning. For example, if the highest percent of units that lack complete plumbing is assigned the rank of 1, then this rank number should uniformly indicate the block with the highest proportion of units that are potential problem areas. Thus, the block with the lowest average rent would also be ranked 1 with respect to rent. The ranking procedure is illustrated in table 4.

To take a specific example, table 4 shows that tract 501 ranked 1, based on the sum of ranks. That result should be considered a first step in sorting the tracts according to the concentration of housing and household characteristics indicative of problem neighborhoods and housing. A more detailed examination of the results will reveal, for example, that in some tracts the range in rank between highest and lowest is much greater than in others. This type of analysis can lead to a sorting of tracts according to their degree of diversity or homogeneity. It can also be observed that tracts differ from one another according to the characteristic which is most predominant. Keeping this fact in mind, one could perform another sorting based on more than one characteristic, e.g., availability of plumbing and occupancy by 1.01 or more persons per room.

In summary, no single statistic should be considered as a complete index to the type and degree of conditions indicative of poor neighborhoods and housing; rather, a combination of approaches, along with knowledge of local conditions, is likely to produce the most accurate delineation of problem housing areas.

FURTHER INFORMATION

For further information on the concept of substandard housing as it relates to Census Bureau data, address inquiries to:

Director
Bureau of the Census
Washington, D. C. 20233

(Please refer to Data Access Description No. 28, Delineation of Problem Housing Areas, Series CEP-6.)

Table 1.—Types of Data Available by Census Tracts and Blocks in Printed Reports

	Census tracts or minor civil divisions	Blocks
1. Structure and facilities		
a. Number of housing units with complete plumbing facilities	X	X
b. Type of heating equipment	X	
c. Number of units by age of structure	X	
2. Tenure and use		
a. Number of owner- and renter-occupied units	X	X
b. Units occupied by 1.01 or more persons per room	X	X
c. Number of vacant units, by length of time vacant	X	
3. Economic status		
a. Amount of family income	X	
b. Number of families with income below poverty levels	X	
c. Number of families which received welfare payments	X	
d. Amount of rent paid	X	X
e. Value of owner-occupied units	X	X
4. Education and occupation		
a. Number of school years completed	X	
b. Employment as household or service workers	X	
5. Household composition		
a. Households with female head and with children under 18	X	
b. Households with roomers, boarders, or lodgers	X	X
c. One-person households	X	X

Table 2.—Tabulations Available From Third Count Summary Tapes

(The numbers below refer to the housing data item on Third Count Summary Tapes)

3rd Count (Blocks)	Structure and facilities; availability of plumbing	Occupancy and utilization		
		Tenure	Negro occupied	Persons per room
Structure and facilities:				
Availability of plumbing...		29,31	29,31	31
Occupancy and utilization:				
Tenure and race of head....	29,31			16,34
Economic Status:				
Value.....	32a,32b	32a,22a, 32b,22b	22b,32b	
Rent.....	33a,33b	23a,33a, 23b,33b	23b,33b	
Household composition:				
One-person households.....		27		
Families with female head..		27		
Units with roomers, boarders, or lodgers.....		28		

Table 3.—Tabulations Available From Fourth Count Summary Tapes

(The numbers below refer to housing data items, except for those preceded by a "P" which refer to population data items)

Fourth Count: Census Tracts	Structure and facilities			Occupancy and utilization, tenure and race	Economic status				Social status			Household composition	
	Year structure built	Lacking direct access; complete kitchen facilities	Availability of plumbing facilities		Value	Rent	Income		Education, years of school completed	Occupation		Female head	One-person household
							Total	Below poverty level		Disability and employment status	Labor force status		
Structure and facilities													
Heating equipment.....		13	12,13	11,12									
Cooking fuel.....				24									
House heating fuel.....				25									
Water heating fuel.....				26									
Source of water.....				14									
Sewage disposal.....				15									
Water supply.....				45									
Toilet facilities.....				46									
Availability of plumbing facilities.....				53,55	53	55		P.97					
Occupancy and utilization													
Number of persons.....				117			117	P.83					
Persons per room.....			60	42,60									
Occupied units.....	8,108,120, 126			8,40, 41,52,53, 54,55,110, 118,126, 127,128, 129	52,53, 118, 119, 120	54, 55, 126, 127, 128, 129	110, 118, 127					108, 110	40
Vacant units.....	8,145			8,52, 53,54, 55	52, 53, 145	54, 55, 148							
Economic status													
Value													
Total.....	120,145		53	52,53, 118, 119, 120	119		118	P.14					
Rent													
Total.....	126		123	123, 126, 127			127	P.15					
Gross rent as percentage of income..				128, 129		128, 129							
Income.....			142	110, 142									

Table 3.—Tabulations Available From Fourth Count Summary Tapes—Continued

(The numbers below refer to housing data items, except for those preceded by a "P" which refer to population data items)

Fourth Count: Census Tracts	Structure and facilities			Occupancy and utilization, tenure and race	Economic status				Social status			Household composition	
	Year structure built	Lacking direct access; complete kitchen facilities	Availability of plumbing facilities		Value	Rent	Income: Total	Income: Below poverty level	Education, years of school completed	Occupation: Disability and employment status	Occupation: Labor force status	Female head	One-person household
Household composition													
Race of head	8,108,120, 126	43,44	59,60,123, 142		52, 53,	54, 55	110, 117, 118, 127						40
Sex of head									P.42	P.52	P.54, P.57		40
Age of head	108			38,110			110					108, 110	40
Civilian male family													
Head 14 to 64								P.87			P.87		
Head 65 and over								P.86					
Age of person								P.85					
16 years old and over											P.54, P.57		
25 years old and over									P.42				
16 to 64 years old										P.52			
Males 20-49 years old and females 15-44 years old									P.53				
65 years old								P.90					
Household type	108			38			110						
Female family heads with related children under 6								P.85, P.88			P.88		
Presence of own children under 18								P.85			P.57		
With roomers, boarders, or lodgers				41									

Table 4.—Tracts Ranked by Selected Indicators of Problem Areas

Tract	All housing units							All occupied units									Sum of ranks	Ranks by sum of ranks
	Total	Lacking some or all plumbing		Lacking complete kitchen facilities and access		1- and 2-room housing units		Total	Units with roomers, boarders, or lodgers		Units with 1.01 + persons per room		Median value, owner-occupied		Median rent, renter-occupied			
		Percent	Rank	Percent	Rank	Percent	Rank		Percent	Rank	Percent	Rank	Amount	Rank	Amount	Rank		
301...	236	18.2	5	18.6	1	12.7	10	202	11.9	2	9.9	3	8,600	6	61	6.5	33.5	2
403...	2,621	6.6	12.5	8.9	4	32.7	3	2,401	4.1	10.5	2.2	30	40,500	31	143	31	122	17
501...	1,735	20.3	4	13.9	2	22.1	6	1,538	12.0	1	9.7	4	8,200	3.5	58	4	24.5	1
507...	672	7.7	9	6.8	8	26.8	4	595	8.4	4	2.5	28.5	10,000	13	138	30	96.5	13
604...	722	6.6	12.5	1.1	24	2.6	21	665	1.7	22.5	8.4	10.5	8,500	5	59	5	100.5	14
705...	1,321	5.8	14	3.5	14.5	16.3	7	1,152	5.0	6.5	1.6	31	15,100	23.5	128	29	125.5	19.5
803...	492	5.7	15	3.0	16	26.6	5	461	5.0	6.5	4.1	26	17,500	29	123	28	125.5	19.5
901...	1,273	9.2	7	3.5	14.5	6.9	13	1,225	2.0	18.5	9.1	6	8,200	3.5	54	3	65.5	8
1004...	1,493	1.1	28	1.8	17.5	1.9	26.5	1,457	1.9	20	4.5	24	15,100	23.5	90	20	159.5	25
1103...	552	2.4	21	5.3	11	14.5	9	521	0.6	31	6.9	16	12,600	17.5	82	19	124.5	18
1201...	398	4.0	20	1.3	22	2.5	22.5	395	2.0	18.5	5.6	19	15,300	25	78	17	144	22
1207...	1,013	8.9	8	8.7	5	6.6	14	898	10.2	3	10.1	2	10,400	14	73	14.5	60.5	6.5
1306...	1,764	1.7	23	0.9	25.5	1.9	26.5	1,659	3.6	12	6.2	18	13,900	20	121	27	152	23
1406...	1,569	2.1	22	1.8	17.5	4.0	16.5	1,536	2.3	17	2.5	28.5	21,800	30	105	25	156.5	24
1501...	661	4.8	17	1.7	19.5	2.4	24	627	3.5	13	8.1	12.5	9,900	12	63	8	106	15
1507...	2,664	1.4	26.5	0.9	25.5	2.9	20	2,603	1.6	24	3.3	27	15,400	26	100	23	172	28
1701...	206	27.2	2	4.9	12	11.2	11	175	2.9	15	8.6	9	7,200	2	48	1	52	5
1804...	1,196	4.5	19	4.8	13	3.5	18.5	1,097	2.6	16	9.6	5	8,900	7	67	10	88.5	9
1904...	1,631	4.8	17	1.7	19.5	5.2	15	1,556	3.0	14	8.7	8	9,100	8.5	72	13	95.0	10
1910...	2,310	1.6	24.5	1.2	23	1.3	28	2,280	1.2	28	5.0	21	14,700	22	95	22	168.5	27
2006...	192	1.6	24.5	0.5	28.5	-	30.5	186	1.1	29	4.3	25	11,600	16	73	14.5	168	26
2012...	225	0.4	31	0.4	30	-	30.5	223	1.3	26.5	8.1	12.5	14,000	21	93	21	172.5	29
2201...	764	40.6	1	9.2	3	58.1	1	674	5.2	5	5.0	21	9,200	10	67	10	51	4
2302...	1,768	27.0	3	8.4	6	40.4	2	1,345	4.9	8	7.4	15	9,100	8.5	53	2	44.5	3
2502...	830	9.6	6	5.8	10	14.7	8	701	4.1	10.5	8.8	7	6,100	1	79	18	60.5	6.5
2603...	228	4.8	17	7.0	7	2.2	25	215	4.7	9	8.4	10.5	12,600	17.5	67	10	96	11.5
2609...	1,158	1.4	26.5	0.2	31	4.0	16.5	1,112	0.7	30	28.1	1	13,800	19	77	16	140	21
2705...	1,555	6.7	11	1.6	21	3.5	18.5	1,508	1.3	26.5	7.6	14	9,600	11	61	6.5	108.5	16
2804...	1,307	0.6	30	0.5	28.5	2.5	22.5	1,279	1.5	25	4.6	23	16,000	28	113	26	183	31
3001...	2,195	7.3	10	6.1	9	7.1	12	2,079	1.8	21	6.4	17	11,200	15	71	12	96	11.5
3203...	1,055	0.9	29	0.7	27	0.8	29	1,040	1.7	22.5	5.0	21	15,700	27	104	24	179.5	30

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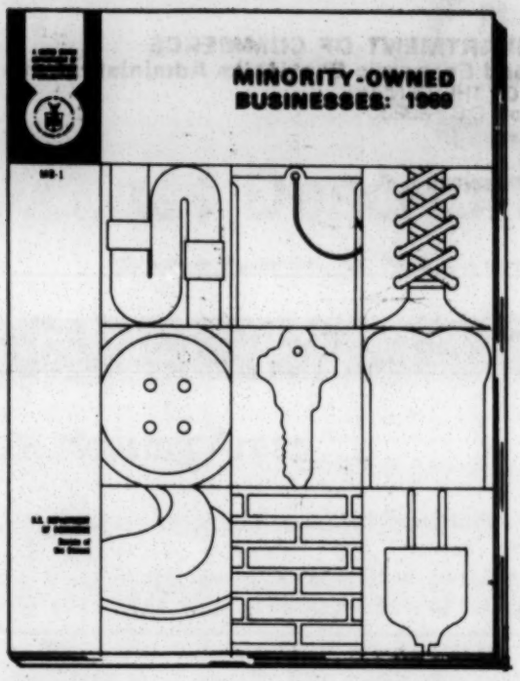

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Data Access Description

Collection, Evaluation, and Processing Series CEP-7

DAD No. 29
May 1972

U. S. DEPARTMENT OF COMMERCE • Social and Economic Statistics Administration • BUREAU OF THE CENSUS

Low-Income Data From the 1970 Census

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INTRODUCTION

This Data Access Description provides information on the low-income data available from the 1970 Census of Population and describes the sources of the data, the geographic detail, and the forms in which the data will be made available--printed reports, Fourth, Fifth, and Sixth Count Summary Tapes, 1970 public use samples, and special tabulations. The definition of poverty currently accepted by the Federal Government for statistical purposes and the basic thresholds utilized by the Bureau of the Census to determine the low-income status of families and unrelated individuals are discussed. A more detailed explanation of the poverty definition will be found in the Census Bureau report, Series P-23, No. 28, "Revision in Poverty Statistics, 1959 to 1968." Information on the availability of low-income data from the 1970 census, as described in this Data Access Description, is subject to possible minor revision.

Low-income statistics have not been published for previous decennial censuses. However, the poverty index originally developed by the Social Security Administration (SSA) has been applied annually to the income data from the March Current Population Survey, providing a consistent series of data for the past decade. The Bureau of the Census has published these data in several Current Population Reports in the P-60 series.

INFORMATION ON LOW-INCOME CONCEPTS

Background

The low-income statistics published from the 1970 census will be based on the poverty index originally developed by the Social Security Administration and modified in 1969 to reflect the recommendations of a Federal Interagency Committee. This modified definition is currently used in classifying families and unrelated individuals as poor or nonpoor for statistical purposes. It also forms the basis for income thresholds used

by various Federal agencies in determining eligibility for participation in such programs as the Neighborhood Youth Corps, the school lunch program, and the Job Corps.

The poverty index provides a range of low-income cutoffs adjusted for such factors as family size, sex and age of family head, number of children under 18 years old, and farm-nonfarm residence. At the core of the definition is a nutritionally adequate food plan ("economy" plan) designed by the Department of Agriculture for "emergency or temporary use when funds are low." The low-income cutoffs also take into account differences in the cost of living between farm and nonfarm families. The low-income cutoff for a farm family is set at 85 percent of the cutoff for a nonfarm family of similar composition. The cutoffs are revised annually to account for changes in the Consumer Price Index (CPI).

Weighted Average Thresholds at the Low-Income Level

The cutoffs used by the Bureau of the Census to determine the low-income status of families and unrelated individuals consist of a set of 124 thresholds arranged in a four-dimensional matrix. (See fig. 1.) This matrix is composed of family size (from one person to seven or more persons), cross-classified by number and presence of children under 18 years old (from no children present to six or more children present), sex of head, and farm-nonfarm residence. One- and two-person families are further differentiated by age of head as under 65 years and 65 years and over. The total family income of each family in the sample is compared to the appropriate dollar threshold to determine the low-income status of that family. If the family's total income is less than its corresponding low-income cutoff, the family is classified as poor; otherwise it is classified as nonpoor.

This detailed four-dimensional matrix is used as a basis for determining the weighted average thresholds shown in figure 2. These thresholds were weighted by the presence and number of children. For example, the weighted average threshold for the category "male-headed, nonfarm families of five members" is derived by multiplying the dollar amount of the threshold for each "number and presence of children" category (see fig. 1)--in this case, none, 1, 2, 3, and 4--by the total number of male-headed nonfarm families of five in each category. These products are then added together, and the aggregate is divided by the total number of male-headed, nonfarm families of five. The result is the weighted average low-income threshold ($4,418) for this category of families. The table of average thresholds is a convenient summary measure of the full 124-cell matrix.

Figure 1.—Low-Income Threshold Matrix

X represents low-income cutoff tabulations; -- represents no tabulations computed. These matrices apply for male head, nonfarm; male head, farm; female head, nonfarm; and female head, farm. Exact figures for the four matrices as used for the 1970 census are given in the 1970 Public Use Sample documentation as Technical Document 101, available for $3 from Users' Service Staff.

Family size	Number and presence of children						
	None	1	2	3	4	5	6 or more
1 member under 65 years	X	--	--	--	--	--	--
1 member 65 years and over	X	--	--	--	--	--	--
2 members under 65 years	X	X	--	--	--	--	--
2 members 65 years and over	X	X	--	--	--	--	--
3 members	X	X	X	--	--	--	--
4 members	X	X	X	X	--	--	--
5 members	X	X	X	X	X	--	--
6 members	X	X	X	X	X	X	--
7 members or more	X	X	X	X	X	X	X

Since family composition varies by farm-nonfarm residence, the weighted average thresholds at the low-income level for farm families, as shown in figure 2, will not be exactly 85 percent of the nonfarm levels. Family composition also varies from year to year due to the declining birth rate, an increase in female-headed families, and sampling variability in the annual Current Population Survey. Therefore, the weighted average thresholds for 1969 will not reflect, identically, the increase in the Consumer Price Index between 1969 and earlier years.

Since the basic thresholds used to determine low-income status are applied to all families and unrelated individuals, the weighted low-income thresholds are derived using all families and unrelated individuals, rather than only those classified as poor.

According to present plans, weighted average thresholds at the low-income level based on the 1970 Census of Population are not expected to be available until late 1972. Therefore, the thresholds presented in figure 2 are based on the March 1970 Current Population Survey. However, it is expected that these thresholds will not differ significantly from those based on the census.

Figure 2.—Weighted Average Thresholds at the Low-Income Level in 1969, by Size of Family and Sex of Head, by Nonfarm-Farm Residence

Number of family members	Total	Nonfarm			Farm		
		Total	Male head	Female head	Total	Male head	Female head
1 member	$1,834	$1,840	$1,923	$1,792	$1,569	$1,607	$1,512
Under 65 years	1,888	1,893	1,974	1,826	1,641	1,678	1,552
65 years and over	1,749	1,757	1,773	1,751	1,498	1,508	1,487
2 members	2,364	2,383	2,394	2,320	2,012	2,017	1,931
Head under 65 years	2,441	2,458	2,473	2,373	2,093	2,100	1,984
Head 65 years and over	2,194	2,215	2,217	2,202	1,882	1,883	1,861
3 members	2,905	2,924	2,937	2,830	2,480	2,485	2,395
4 members	3,721	3,743	3,745	3,725	3,195	3,197	3,159
5 members	4,386	4,415	4,418	4,377	3,769	3,770	3,761
6 members	4,921	4,958	4,962	4,917	4,244	4,245	4,205
7 members or more	6,034	6,101	6,116	5,952	5,182	5,185	5,129

Figure 3.—Earnings and Income Items, 1970 Census Sample Questionnaires

40. Earnings in 1969— *Fill parts a, b, and c for everyone who worked any time in 1969 even if he had no income.*
(If exact amount is not known, give best estimate.)

a. How much did this person earn in 1969 in wages, salary, commissions, bonuses, or tips from all jobs?
(Before deductions for taxes, bonds, dues, or other items.)
$ _____ .00
(Dollars only)
OR ○ None

b. How much did he earn in 1969 from his own nonfarm business, professional practice, or partnership?
(Net after business expenses. If business lost money, write "Loss" above amount.)
$ _____ .00
(Dollars only)
OR ○ None

c. How much did he earn in 1969 from his own farm?
(Net after operating expenses. Include earnings as a tenant farmer or sharecropper. If farm lost money, write "Loss" above amount.)
$ _____ .00
(Dollars only)
OR ○ None

41. Income other than earnings in 1969— *Fill parts a, b, and c.*
(If exact amount is not known, give best estimate.)

a. How much did this person receive in 1969 from Social Security or Railroad Retirement?
$ _____ .00
(Dollars only)
OR ○ None

b. How much did he receive in 1969 from public assistance or welfare payments?
Include aid for dependent children, old age assistance, general assistance, aid to the blind or totally disabled.
Exclude separate payments for hospital or other medical care.
$ _____ .00
(Dollars only)
OR ○ None

c. How much did he receive in 1969 from all other sources?
Include interest, dividends, veterans' payments, pensions, and other regular payments.
(See instruction sheet.)
$ _____ .00
(Dollars only)
OR ○ None

Alternate Low-Income Levels

Because the low-income levels currently in use by the Federal Government do not meet all the needs of the analysts of the data, two variations of the poverty definition were created at the same time that modifications were made to the poverty index. One of these alternate low-income levels was set at 75 percent of the official government standard; the other was set at 125 percent of this standard. In order to obtain the weighted low-income thresholds for families and unrelated individuals below 75 percent and below 125 percent of the low-income level, the weighted average thresholds shown in figure 2 are multiplied directly by 0.75 and 1.25, respectively.

SOURCE OF LOW-INCOME DATA

The 1970 census 5- and 15-percent questionnaires contained two items on earnings and income (fig. 3). Low-income data were derived from answers to these items.

The population covered in the low-income statistics presented from the 1970 census excludes inmates of institutions, members of the Armed Forces living in barracks, college students living in dormitories, and unrelated individuals under 14 years old.

AVAILABILITY OF LOW-INCOME DATA

Printed Reports

Low-income statistics, based on income data from the 1970 census, will be available to users in the form of printed reports, as described below.

The terminology of the table titles and table outlines in figures 4 through 10 is the same as appears in the 1970 census printed reports and summary tapes.

The 1970 Census of Population and Housing Census Tract Reports.--Census Tract Reports (Series PHC-1) are issued for standard metropolitan statistical areas (SMSA's). The reports include data showing a distribution of families by the ratio of family income to poverty level. Families and unrelated individuals with incomes below the poverty level are further described. These data are included in table P-4 of the reports and are given for each component county, city, and census tract. Figure 4 presents the information on low-income data available in table P-4. The census tract reports are scheduled to be published during the period December 1971 through August 1972.

1970 Census of Population, Volume I, Characteristics of the Population.--Low-income data are published in the 1970 Census of Population PC(1)-C reports, *General Social and Economic Characteristics.* There are 15 tables providing these data; titles of the tables and contents pertaining to low-income appear in figure 5. The data show the relationship between income and the poverty level for families, family heads, unrelated individuals, persons, and households. The PC(1)-C reports cover geographic areas ranging in size from places of 2,500 to States; they are to be published by State during the period November 1971 through August 1972.

The PC(1)-D reports, *Detailed Characteristics,* include nine tables providing low-income data for States, SMSA's of 250,000 population or more, and central cities. These tables are listed in figure 6. The PC(1)-D reports are scheduled to be issued by State between June and November 1972.

1970 Census of Population, Volume II, Subject Reports.--Current plans include the publication during 1972 of subject report PC(2)-9A, *Poverty Population.* Detailed cross-classifications of data from the 1970 census on the low-income status in 1969 of families and persons by their social and economic characteristics, for the United States, regions, and type of residence, will be published in this report. Refer to figure 7 for the general subject matter of each table to be included.

Publication of another subject report, PC(2)-9B, *Population, and Housing Characteristics of Selected Low-Income Areas,* is planned for late 1972. For the 50 largest cities data will be presented, by selected characteristics of the population, for the total city and for aggregates of census tracts with a 1970 census low-income rate (for persons) of 20, 30, and 40 percent or more. Data will also be presented by total population, white, Negro, and persons of Spanish heritage for the total city, the aggregate of census tracts with a 1970 census low-income rate (for persons) of 20 percent or more, and the remainder of the city.

Summary Tapes

Census data on low-income status will also be available on the Fourth, Fifth, and Sixth Count Summary Tapes.

Fourth Count Summary Tapes.--These tapes are the source of the PC(1)-C reports, *General Social and Economic Characteristics,* and the census tract reports. Fourth Count includes 25 tables providing data on low-income status, reported for census tracts, minor civil divisions (MCD's), census county divisions (CCD's), places of 2,500 inhabitants or more, counties, States, and other selected areas. These tables are listed in figure 8. The Fourth Count Summary Tapes will be available on a State-by-State basis from December 1971 through April 1972.

Fifth Count Summary Tapes.--These tapes are the only census product containing data summaries for ZIP code areas. Data on low-income status are provided in six tables; these tables are listed in figure 9. The Fifth Count Summary Tapes are expected to become available in June 1972.

Sixth Count Summary Tapes.--These tapes are the source of the PC(1)-D reports, *Detailed Characteristics.* In addition to the data for the central city and ring of SMSA's having over 250,000 inhabitants shown on the PC(1)-D tables, the tapes will include data for smaller SMSA's, individual counties inside the SMSA's, and large non-SMSA counties. The 11 tables for the Sixth Count related to low income are listed in figure 10. Sixth Count Summary Tapes will become available from summer through early fall on a State-by-State basis.

Acquisition of the Tapes.--The Fourth and Sixth Count files for each State will require more than one reel of tape per State per count and may be purchased at the cost of reproduction (currently $70 per reel). The Fifth Count files will be available, also at $70 per reel, as follows:

File A
3-digit areas..... 1 reel (includes entire U.S.)

File B, 5-digit areas within SMSA's:
ZIP codes beginning with 0..... 2 reels[1]
ZIP codes beginning with 1..... 2 reels[1]
ZIP codes beginning with 2 through 9..... 1 reel each

Total..... 12 reels

[1]It will be necessary for a user to purchase both reels for this ZIP code area.

echnical documentation for the Fourth Count, hich describes tabulations in detail, is included in art 2 of the *1970 Census Users' Guide*, which ıay be purchased from the Superintendent of Doc- ments, U.S. Government Printing Office, Wash- ıgton, D.C. 20402 for $2.75. Fifth Count ɔcumentation at $3 and Sixth Count documentation hich is in two sections (Population - $3; Housing $3), may be purchased from the Users' Service :aff, Data User Services Office, Bureau of the ensus, Washington, D.C. 20233. The Users' ervice Staff also accepts orders for summary ıpes from all counts.

Considerations relevant for using summary pes are discussed in *Data Access Description* o. 18, CT-1 (Revised), dated June 1970. Esti- ates of the number of tape reels per count for ıch State are presented in Summary Tape User emorandum No. 26, dated April 29, 1971.

ublic Use Samples

The public use samples of basic records from è 1970 census also provide low-income data. here will be six basic public use samples each which contains sample records for 1 percent of e population, or roughly 2 million individuals. he user may obtain a public use sample drawn om either 15-percent or 5-percent sample ecords and with one of three types of geographic lentification: (1) County Groups (including all MSA's over 250,000); (2) States; or (3) Neighbor- ɔod Characteristics. Census divisions (sub- ivisions of the country into nine State groups) ıd size of urbanized area are identified in the eighborhood Characteristics sample. The State les are expected to become available on a flow ısis between June and August 1972, and the ounty Group sample files in July and August 972. Neighborhood Characteristics sample files re expected to be available later in 1972.

No names or addresses appear in the public ɜe sample files. Furthermore, areas of resi- ɜnce defined in public use samples are suffi- ciently large to avoid disclosure of individuals.[2] Geographic information is limited to protect confidentiality, and geographic codes identify only areas with a population of more than 250,000 (e.g., States or SMSA's). For detailed information, refer to *Data Access Description* No. 24, *Public Use Samples of Basic Records From the 1960 and 1970 Censuses* (CT-8).

All of the characteristics of people and households as recorded in the census basic records will be on the public use sample records, but geographic information and names will not appear. Since income characteristics are included in the record of each household, the samples may be tabulated to compare demographic characteristics of poor and nonpoor populations. These tabulations can also be used for studies of low-income families according to alternate low-income definitions.

Family and personal incomes will be recorded in $100 intervals by type of income. The low-income threshold (discussed above) rounded to the nearest $100 will also be recorded for each family. The ratio of family income to the low-income threshold is included as the "poverty recode,"[3] and is given as follows:

Income less than .50 of low-income threshold

Income between .50 and .74 of low-income threshold

Income between .75 and .99 of low-income threshold

Income between 1.00 and 1.24 of low-income threshold

Income between 1.25 and 1.49 of low-income threshold

Income between 1.50 and 1.99 of low-income threshold

Income between 2.00 and 2.99 of low-income threshold

Income greater than 3.00 of low-income threshold

Not applicable

[2]The Bureau of the Census is precluded by law (Title 13, U.S.C.) from releasing data that would identify an individual person, household, or firm. Publicly available data from a census or survey appear as statistical summaries only. However, samples of basic data from the 1970 census, with all identifying information removed, may be made available for statistical purposes for large areas.

[3]A recode is a simplification of more detailed information derived from one or more existing codes.

In addition to the housing unit and person characteristics which appear in each public use sample, neighborhood characteristics samples also contain census-defined characteristics of the area in which the person lives. The neighborhoods themselves will not be identified, but will have an average population of 4,000 to 5,000 inhabitants. Characteristics of these neighborhoods will include the proportion of families below the poverty level, the percent of families with incomes under $5,000 and over $15,000, the percent of Negro or Spanish American population, average household size, etc. This will make it possible to tabulate characteristics of the population by type of neighborhood.

Special Tabulations

Special tabulations of low-income information will be undertaken on a cost-reimbursable basis. These tabulations can be performed for special areas of residence or levels of income and can consist of the standard census tabulations or of tabulations developed by the requester. *Information contained in the special tabulations as well as that in the summary tapes is subject to the same legal safeguards as printed reports to insure confidentiality of census data.*

The data file from the 1970 census from which the Census Bureau can prepare special tabulations on low-income data to meet the specifications of individual users is expected to be available by mid-1972. The number of geographic areas for which low-income information can be made available is limited by the coding on the census 5- and 15-percent sample basic records. To insure that the confidentiality of individual records is preserved, summary data are frequently suppresed where the number of reporting units in a tabulation is small. Consequently, suppression frequently occurs for low-income tabulations by race in small geographic areas where there may be relatively few persons in a particular racial category.

For additional information regarding special tabulations, refer to *Data Access Description* No. 21, *Census Bureau Unpublished Data and Special Services: Policy and Delineation*, dated December 1970.

DEFINITION OF SELECTED TERMS

Understanding of census definitions for the following terms is essential to the use of low-income data from the 1970 census.

Households below low-income level.--Households below the low-income level are defined as those in which the total income of the family or primary individual is below the low-income level. The incomes of persons in the household other than members of the family or the primary individual are not included in the total income of the family or primary individuals when determining the low-income status of a household.

Income deficit.--The income deficit is the difference between the total income of families and unrelated individuals below the low-income level and their respective low-income thresholds. In computing the income deficit, families reporting a net income loss are assigned zero dollars. For such cases, the income deficit is equal to the low-income threshold.

Aggregate income deficit.--The aggregate income deficit provides an estimate of the amount of money that would be required to raise the incomes of all poor families and unrelated individuals to their respective thresholds at the low-income level.

Median income deficit.--The median income deficit is the amount which divides the distribution into two equal parts, one having an income deficit above the median and the other having an income deficit below the median.

Mean income deficit.--The mean income deficit is the amount obtained by dividing the aggregate income deficit of a group below the low-income level by the number of families or unrelated individuals (as appropriate) in that group.

FURTHER INFORMATION

If further information concerning the matters discussed in this publication is desired, address inquiries to:

Director
Bureau of the Census
Washington, D.C. 20233

(Please refer to *Data Access Description* No. 29, Collection, Evaluation, and Processing Series, CEP-7.)

Figure 4.--Low-Income Data, Census Tract Reports

Included in Table P-4, Income Characteristics of the Population: 1970

Subject	Total SMSA	Total	County A			City A		
			City A	City B	Balance	Tract 0001	Tract 0002	Tract 0003
Ratio of Family Income to Poverty Level								
Percent of families with incomes:								
Less than .50 of poverty level								
.50 to .74								
.75 to .99								
1.00 to 1.24								
1.25 to 1.49								
1.50 to 1.99								
2.00 to 2.99								
3.00 or more								
Income Below Poverty Level								
Families								
Percent of all families								
Mean family income								
Mean income deficit								
Percent receiving public assistance income								
Mean size of family								
With related children under 18 years								
Mean number of related children under 18 years								
With related children under 6 years								
Mean number of related children under 6 years								
Families with female head								
With related children under 18 years								
Mean number of related children under 18 years								
With related children under 6 years								
Percent in labor force								
Mean number of related children under 6 years								
Family heads								
Percent 65 years and over								
Civilian male heads under 65 years								
Percent in labor force								
Unrelated individuals								
Percent of all unrelated individuals								
Mean income								
Mean income deficit								
Percent receiving public assistance income								
Percent 65 years and over								
Persons								
Percent of all persons								
Percent receiving Social Security income								
Percent 65 years and over								
Percent receiving Social Security income								
Related children under 18 years								
Percent living with both parents								
Income Below Poverty Level--Continued								
Households								
Percent of all households								
Owner occupied								
Mean value of unit								
Renter occupied								
Mean gross rent								
Percent lacking some or all plumbing facilities								

Figure 5.—Low-Income Data, PC(1)-C Reports: General Social and Economic Characteristics

Table No.	Title and geographic area
58	Poverty Status in 1969 of Families and Persons by Race and Urban and Rural Residence: 1970, for the State
69	Poverty Status in 1969 of Families and Persons by Size of Place: 1970, for the State
80	Poverty Status in 1969 of Families and Persons by Metropolitan and Nonmetropolitan Residence: 1970, for the State
90	Poverty Status in 1969 of Families and Persons for Areas and Places: 1970, for SMSA's, Urbanized Areas (UA's), and Places of 50,000 or More
95	Poverty Status in 1969 of Negro Families and Persons for Areas and Places: 1970, for SMSA's, UA's, and Places of 50,000 or More
101	Poverty Status in 1969 of Families and Persons of Spanish Language for Areas and Places: 1970, for SMSA's, UA's, and Places of 50,000 or More

Data items for these tables:

Income Less Than Poverty Level

Families . . . . . .
Percent of all families. . . . . .
Mean family income. . . . . .
Mean income deficit. . . . . .
Percent receiving public assistance income . . . . .
Mean size of family. . . . . .
With related children under 18 years . . . . . .
Mean number of related children under 18 years. .
Families with female head. . . . . .
With related children under 18 years . . . . . .
With related children under 6 years. . . . . .
Percent of heads in labor force. . . . . .
Family heads . . . . . .
Percent 65 years and over. . . . . .
Civilian male heads under 65 years . . . . . .
Percent in labor force . . . . . .

Unrelated individuals. . . . . .
Percent of all unrelated individuals . . . . . .
Mean income. . . . . .
Mean income deficit. . . . . .
Percent receiving public assistance income . . . . .
Percent 65 years and over. . . . . .

Persons. . . . . .
Percent of all persons . . . . . .
Percent receiving Social Security income . . . . . .
Percent 65 years and over. . . . . .
Percent receiving Social Security income . . . . .
Related children under 18 years. . . . . .
Percent living with both parents . . . . . .

Households*. . . . . .
Percent of all households. . . . . .
In owner occupied housing units. . . . . .
Mean value of unit . . . . . .
In renter occupied housing units . . . . . .
Mean gross rent. . . . . .
Percent lacking some or all plumbing facilities. . .

*Excludes owner-occupied one-family houses which are on a place of 10 acres or more or have a business on the property, and one-family renter-occupied houses on 10 acres or more.

Figure 5.—Low-Income Data, PC(1)-C Reports: General Social and Economic Characteristics—Continued

Income Less Than 75 Percent of Poverty Level

Families. . . . . .
Percent of all families . . . . . .
Mean income deficit . . . . . .
Families with female head . . . . . .

Unrelated individuals . . . . . .
Percent of all unrelated individuals. . . . . .
Mean income deficit . . . . . .

Persons . . . . . .
Percent 65 years and over . . . . . .
Related children under 18 years . . . . . .
Percent living with both parents. . . . . .

Income Less Than 125 Percent of Poverty Level

(Same as for Income Less Than 75 Percent of Poverty Level, above.)

Table No.	Title and geographic area
107	Income and Poverty Status in 1969 of Persons for Places of 10,000 to 50,000: 1970, for Places
111	Income and Poverty Status in 1969 of the Negro Population for Places of 10,000 to 50,000: 1970, for Places With 400 or More Negro Population
116	Income and Poverty Status in 1969 of Persons of Spanish Language for Places of 10,000 to 50,000: 1970, for Places With 400 or More Persons of Spanish Language
124	Income and Poverty Status in 1969 of Persons for Counties: 1970, for Counties
128	Income and Poverty Status in 1969 of the Negro Population for Counties: 1970, for Counties With 400 or More Negro Population
133	Income and Poverty Status in 1969 of Persons of Spanish Language for Counties: 1970, for Counties With 400 or More Persons of Spanish Language

Data items for these tables:

Income Less Than Poverty Level

Families. . . . . .
Percent of all families . . . . . .
Mean family income. . . . . .
Mean income deficit . . . . . .
Percent receiving public assistance income. . . . . .
Mean size of family . . . . . .
With related children under 18 years. . . . . .
Mean number of related children under 18 years. . .
Families with female head . . . . . .
With related children under 18 years. . . . . .
Family heads. . . . . .
Civilian male heads under 65 years. . . . . .
Percent in labor force. . . . . .

Figure 5.—Low-Income Data, PC(1)-C Reports: General Social and Economic Characteristics—Continued

Unrelated individuals . . . . . .
Percent of all unrelated individuals . . . . .
Mean income . . . . . .
Mean income deficit . . . . . .
Percent receiving public assistance income . . .

Persons . . . . . .
Percent of all persons . . . . . .
Percent receiving Social Security income . . . .
Percent 65 years and over . . . . . .
Percent receiving Social Security income . . .
Related children under 18 years . . . . . .
Percent living with both parents . . . . . .

Households* . . . . . .
Percent of all households . . . . . .
In owner occupied housing units . . . . . .
Mean value of unit . . . . . .
In renter occupied housing units . . . . . .
Mean gross rent . . . . . .
Percent lacking some or all plumbing facilities.

Income Less Than 75 Percent of Poverty Level

Families . . . . . .
Percent of all families . . . . . .
Mean income deficit . . . . . .
Families with female head . . . . . .

Unrelated individuals . . . . . .
Percent of all unrelated individuals . . . .
Mean income deficit . . . . . .

Persons . . . . . .
Percent of all persons . . . . . .
Related children under 18 years . . . . . .
Percent living with both parents . . . . . .

Income Less Than 125 Percent of Poverty Level

(Same as for Income Less Than 75 Percent of Poverty Level, above.)

*Excludes owner-occupied one-family houses which are on a place of 10 acres or more or have a business on the property, and one-family renter-occupied houses on 10 acres or more.

Table No.	Title and geographic area
118	Occupation and Income for Places of 2,500 to 10,000: 1970, for Places
135	Economic Characteristics of the Rural Nonfarm Population: 1970, for Counties
137	Economic Characteristics of the Rural Farm Population: 1970, for Counties

Figure 5.—Low-Income Data, PC(1)-C Reports: General Social and Economic Characteristics—Continued

Data items for these tables:

Income Less Than Poverty Level

Families . . . . . .
Percent of all families. . . . . .
Mean income deficit. . . . . .
Families with female head. . . . . .

Unrelated individuals. . . . . .
Percent of all unrelated individuals . . . .
Mean income deficit. . . . . .

Persons. . . . . .
Percent of all persons . . . . . .
Related children under 18 years. . . . . .
Percent living with both parents . . . . . .

Tables 107, 111, 116, 118, 124, 128, and 133 also include the following data:

Type of Income in 1969 of Families

All families. . . . . .
With wage or salary income. . . . . .
Mean wage or salary income. . . . . .
With nonfarm self-employment income . . . . . .
Mean nonfarm self-employment income . . . . .
With farm self-employment income. . . . . .
Mean farm self-employment income. . . . . .
With Social Security income . . . . . .
Mean Social Security income . . . . . .
With public assistance or public welfare income
Mean public assistance or public welfare income . . . . . .
With other income . . . . . .
Mean other income . . . . . .

Figure 6.—List of Tables on Low-Income Data, PC(1)-D Reports: Detailed Characteristics

Data for States, SMSA's, and central cities.

Table No.	Title
208	Poverty Status in 1969 and Ratio of Family Income to Poverty Level for Persons in Families and Unrelated Individuals, by Family Relationship, Age, and Race: 1970
209	Poverty Status in 1969 of Families by Type, Number of Related Children under 18 Years, and Age, Sex, and Race of Head: 1970
210	Poverty Status in 1969 of Families by Labor Force Status, Sex, and Race of Head: 1970
211	Poverty Status in 1969 of Families by Weeks Worked, Occupation Group, Sex, and Race of Head: 1970
212	Poverty Status in 1969 of Families, by Years of School Completed, Age, Sex, and Race of Head: 1970
213	Poverty Status in 1969 of Families, by Source of Income and Age, Sex, and Race of Head: 1970
214	Poverty Status in 1969 of Families by Family Income, Number of Related Children under 18 Years, and Sex and Race of Head: 1970
215	Poverty Status in 1969 of Persons 3 to 24 Years Old Enrolled in School, by Year of School in Which Enrolled, Age, Sex, and Race: 1970
216	Poverty Status in 1969 of Persons 14 to 24 Years Old not Enrolled in School, by Years of School Completed, Age, Sex, and Race: 1970

Figure 7.—Content Summary of Population Subject Report PC(2)-9A, Poverty Population

Data for United States only, except as indicated.

Table No.	General subject matter
1	Type of residence (also regional data)
2	Size of place of residence (also data for the South)
3	Detailed race (also regional data)
4	Type of origin of Spanish persons (also data for the five Southwestern States)
5	Country of origin of the foreign stock
6	Place of birth (also regional data)
7	Residence in 1965 (also regional data)
8	Single years of age
9	Age of family members and relationship to family head by age of head
10	Presence and age of related and own children
11	Size of family by number of related children under 18 years
12	Marital status of family and subfamily heads by presence of own children
13	Children ever born
14	Characteristics of civilian veterans
15	School enrollment
16	Ratio of family income to poverty level by educational attainment
17	Educational attainment by work experience
18	Educational attainment and employment status of those not enrolled in school
19	Employment status and age of head
20	Employment status of family members by employment status of head
21	Characteristics of disabled persons
22	Field of vocational training
23	Weeks worked in 1969
24	Work experience in 1969 of family heads by that of other family members
25	Occupation and class of worker
26	Place of work during Census Week
27	Mean earnings by occupation group
28	Number of earners by relationship to head
29	Source of income in 1969
30	Source of income in 1969 of head by that of other family members
31	Type of income in 1969
32	Family income in 1969
33	Poor families by family income in 1969
34	Size of income difference in 1969 between the poverty level and total income
35	Selected characteristics of the potentially poor
36	Housing characteristics
Appendix Table 1	Weighted average thresholds at the poverty level in 1969
Table 2	Selected characteristics of families with income allocated

Figure 8.—List of Low-Income Tabulations, Fourth Count Summary Tapes

Table No.	Title
10	Aggregate Dollar Income Deficit For Families Below Poverty Level
11	Aggregate Dollar Income Deficit For Unrelated Individuals 14 Years Old and Over Below Poverty Level
12	Aggregate Dollar Income of Specified Types Received by Families Below Poverty Level
13	Aggregate Dollar Income Received by Unrelated Individuals Below Poverty Level
14	Aggregate Dollar Value of Owner-Occupied Units by Poverty Status of Family or Primary Individual
15	Aggregate Dollar Gross Rent of Renter-Occupied Units by Poverty Status of Family or Primary Individual
16	Aggregate Dollar Income Deficit Between Specified Poverty Level and Total Income for Families and Unrelated Individuals
82	Ratio of Family Income to Poverty Level
83	Aggregate Number of Persons in Families Below Poverty Level
84	Families by Presence of Related Children under 18, Type of Family, and Poverty Status
85	Related Children under 18 by Type of Family, Poverty Status, and Age
86	Family Heads 65 Years Old and Over by Poverty Status
87	Civilian Male Family Heads 14 to 64 Years Old by Labor Force and Poverty Status
88	Female Family Heads in the Labor Force with Related Children under 6 Years Old by Poverty Status
89	Unrelated Individuals by Age and Poverty Status
90	Population 65 Years Old and Over by Poverty Status
91	Related Children 5 to 17 Years Old in Families with Incomes Below $3,000
92	Related Children under 18 Years Old in Families Below Poverty Level by Presence of Parents
93	Population Receiving Social Security or Railroad Retirement by Age and Poverty Status
94	Number of Families Below Poverty Level Receiving Income of Selected Types
95	Number of Unrelated Individuals Below Poverty Level Receiving Income of Selected Types
96	Families and Primary Individuals in Housing Units by Tenure and Poverty Status
97	Families and Primary Individuals in Housing Units Lacking One of More Plumbing Facilities by Poverty Status
98	Specified Poverty Level, Type of Family, and Selected Family Status
99	Specified Poverty Level and Age

Figure 9.—List of Low-Income Tabulations, Fifth Count (ZIP Code) Summary Tapes

Table No.	Title
22	Families by Poverty Status and Public Assistance
23	Families with Female Head by Poverty Status and Related Children under 18
24	Families by Poverty Status and Related Children under 18
25	Unrelated Individuals by Poverty Status
26	Poverty Status and Age
27	Related Children under 18 Years Old by Poverty Status and Presence of Parents

Figure 10.—List of Low-Income Tabulations, Sixth Count Summary Tapes

Table No.	Title
119B	Disabled Population 16 to 64 Years Old (Excluding Inmates) by Race, Sex, Age, Duration of Disability, Marital Status, Presence of Own Children under 18 Years Old, Years of School Completed, Income, Poverty Status, Labor Force Status, and Occupation
1470	Family Members and Unrelated Individuals 14 Years Old and Over by Race, Sex, Family Status, Household Relationship, Age, and Ratio of Family Income to Poverty Level
1480	Part I - Aggregate Dollar Income Deficit of Families Below Poverty Level by Race, Age, Number of Related Children under 18 Years Old, Sex and Marital Status
	Part II - Families by Race, Poverty Status, Age, Number of Related Children under 18 Years Old, Sex and Marital Status
1490	Families by Race, Poverty Status, Sex, Age, Related Children, and Labor Force Status
1500	Families by Race, Poverty Status, Weeks Worked, Sex, Occupation, and Class of Worker
1510	Families by Race, Poverty Status, Sex, Age, Related Children, and Years of School Completed
1520	Part I - Aggregate Dollar Income of Families by Race, Poverty Status, Sex, Age, and Related Children under 18 Years Old
	Part II - Families by Race, Poverty Status, Sex, Age, Related Children under 18 Years Old, and Type of Income
1530	Part I - Aggregate Dollar Income Deficit of Families and Unrelated Individuals Below Poverty Level by Race, Sex, Family Status, Age, and Related Children under 18 Years Old
	Part II - Families and Unrelated Individuals with Incomes Below Poverty Level by Race, Sex, Income Deficit, Family Status, Age, and Related Children Under 18 Years Old
1540	Part I - Aggregate Dollar Income of Families by Race, Sex, Poverty Status, and Related Children Under 18 Years Old
	Part II - Families by Race, Sex, Poverty Status, Income, and Related Children Under 18 Years Old
1550	Population 3 to 24 Years Old Enrolled in School by Race, Poverty Status, Sex, Year of School in Which Enrolled, Type of School, and Age of Person
1560	Population 14 to 24 Years Old and Not Enrolled in School by Race, Poverty Status, Sex, Years of School Completed, and Age

PUBLICATIONS OF DATA ACCESS DESCRIPTIONS

DAD Number	Date of Issue	Series Number	Title	Current Status
1	March 1967	MS-1	Obtaining Census Statistics for a Selected Group of Persons	Obsolete
2	August 1967	AAC-1	Address Coding Guide and Register: General Applications	Obsolete
3	December 1967	CT-1	General Information About Summary Tapes	See No. 18
4	February 1968	PA-1	Policy Governing Access to Census Bureau Unpublished Data and Special Services	See No. 21
5	February 1968	PA-2	Cost Considerations in Obtaining Census Bureau Data and Services	Obsolete
6	April 1968	CT-2	First Count Summary Tapes From the 1970 Censuses of Population and Housing	See No. 13
7	July 1968	CEP-1	Items Contained in the 1970 Censuses of Population and Housing	See No. 14
8	August 1969	CT-3	Second Count Summary Tapes From the 1970 Census of Population and Housing	See No. 26
9	August 1969	CT-4	Third Count (Block) Summary Tapes From the 1970 Census of Population and Housing	See No. 25
10	December 1969	CEP-2	Availability of Place of Work Data in the 1970 Census	See No. 20
11	December 1969	CEP-3	Inclusion of Transient Persons in the 1970 Decennial Census	Current
12	December 1969	CG-1	1970 Census Geography	Current
13	March 1970	CT-2(Rev.)	First Count Summary Tapes From the 1970 Census of Population and Housing	Current
14	March 1970	CEP-1(Rev.)	Items Contained in the 1970 Census of Population and Housing	Current
15	April 1970	CG-2	Contract Block Statistics Program	Current
16	April 1970	CT-5	Fourth Count Summary Tapes From the 1970 Census of Population and Housing	See No. 22
17	May 1970	CEP-4	Printed Reports From the 1970 Census of Population and Housing	See No. 27
18	June 1970	CT-1(Rev.)	General Information About Summary Tapes	Current
19	August 1970	CEP-5	Printed Reports From the 1970 Census--Housing, Volume II	Current
20	November 1970	CEP-2(Rev.)	Availability of Place of Work Data in the 1970 Census	Current
21	December 1970	PA-1(Rev.)	Census Bureau Unpublished Data and Special Services: Policy and Delineation	Current
22	March 1971	CT-5(Rev.)	Fourth Count Summary Tapes From the 1970 Census of Population and Housing	Current
23	March 1971	CT-6	Fifth Count (ZIP Code) Summary Tapes From the 1970 Census of Population and Housing	Current
24	May 1971	CT-8	Public Use Samples of Basic Records From the 1960 and 1970 Censuses	Current
25	July 1971	CT-4(Rev.)	Third Count (Block) Summary Tapes From the 1970 Census of Population and Housing	Current
26	December 1971	CT-3(Rev.)	Second Count Summary Tapes From the 1970 Census of Population and Housing	Current
27	January 1972	CEP-4(Rev.)	Printed Reports From the 1970 Census of Population and Housing	Current
28	May 1972	CEP-6	Delineation of Problem Housing Areas	Current
29	May 1972	CEP-7	Low-Income Data From the 1970 Census	Current
30	---	CT-7	Sixth Count Summary Tapes From the 1970 Census of Population and Housing	In Preparation

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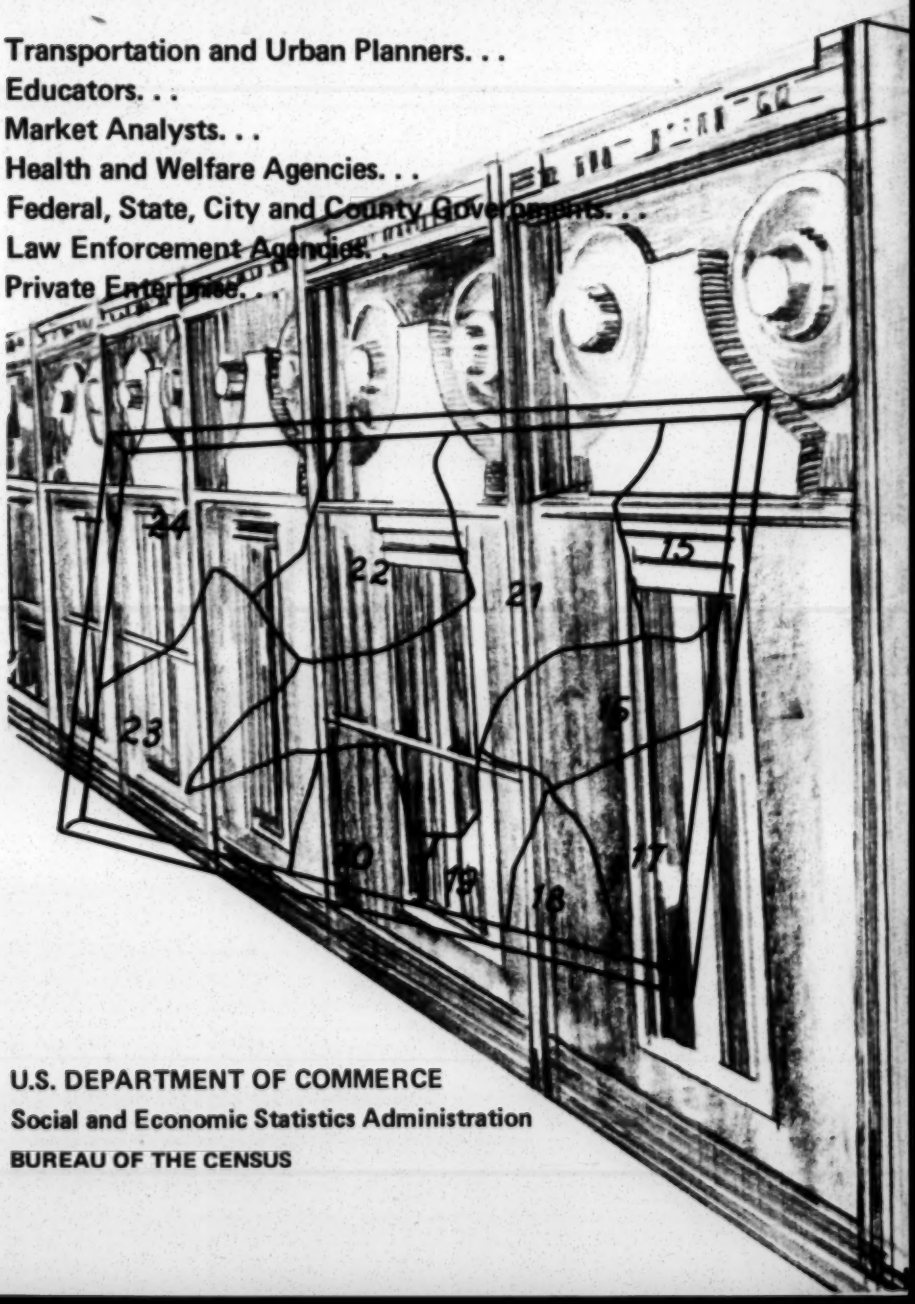

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Geographic Base Files—Uses, Maintenance, Problem Solving

This report presents the proceedings of the third in a series of conferences devoted to local use of the Census Bureau's Geographic Base Files in computerized geographic coding. The conference was held in Arlington, Texas, on November 16 and 17, 1971, and the papers presented along with the resulting discussions centered on the theme of the Census **"Geographic Base File System—Uses, Maintenance, Problem Solving."**

The major purposes of this series of conferences is to improve communication among users and to provide a vehicle for the mutual exchange of information among users, the Census Bureau, and other Federal agencies. As expressed by the Geography Division, "One of the major purposes of today's meeting is to 'spread the word' . . . . to help those who have the need and to learn from those who have already taken the plunge into the techniques and the problems of DIME file management and use. . ."

In furthering this objective, presentations were made by representatives from different levels of city, metropolitan, and county planning. (Fort Worth City Planning Department; Dallas Department of Planning and Urban Development; North Central Texas Council of Governments; Wichita Falls City Planning Department; New York City, Office of Administration, Office of the Mayor; Southwestern Pennsylvania Regional Planning Commission; and Santa Clara County Planning Department.) Presentations were also made by representatives of the Office of Civil Defense; the Kansas City Health Department; and the University of Cincinnati Institute for Urban Information Systems. In addition, there was a presentation by the Geography Division of the Census Bureau.

Several significant points were brought out during the presentations and the discussions which followed. Among these were that the organization of address coded information into meaningful, usable, geographic units is required more and more by Federal, State, and local programs. The Census Bureau's Geographic Base (DIME) File is, essentially, a **management tool** and has its greatest potential at the local level. Data which in the past have been too voluminous or geographically complex to handle efficiently can now be "geographically" organized; and by so doing, a major step can be taken to make local data more usable and more understandable to those in decision-making positions, whether these decision makers are the mayor, the councilman, the director of the department of health or of planning, the president of a bank or the head of a local department store. One of the major problems most areas have today is lack of a staff that is technically proficient to take advantage of the capabilities that the Geographic Base (DIME) File provides at the local level.

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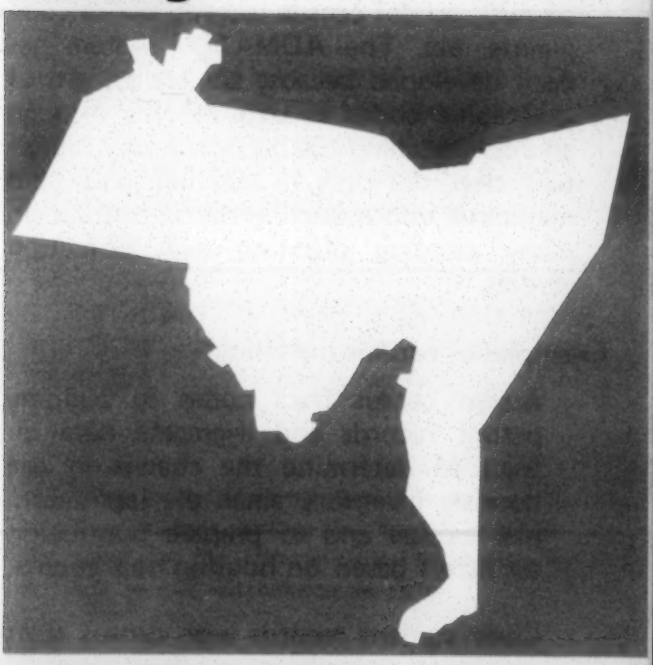

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ADMATCH: An Address Matching System

ADMATCH is a package of user-oriented computer programs and documentation designed to assist in the assignment of geographic codes to computerized data records containing street addresses. Geographic codes for areas such as census tracts, school districts, and traffic zones can be readily assigned to data records in files of building permits, school census records, police complaints, etc. The ADMATCH system has been developed because the assignment of geographic codes to data records through address matching has become a very important step, not only in creating urban and municipal information systems, but also in many ongoing planning and evaluation studies.

Examples of address matching:

Assign census tract codes to building permit records and aggregate data by tract to determine the change in the housing inventory since the last decennial census and to prepare population estimates based on housing unit counts.

Code student records with census tract and block codes to assist school administrators in school redistricting and in relating student characteristics to census data describing the neighborhoods in which they live.

ADDRESS MATCHING WITH ADMATCH

The customary method of address matching consists of the manual process of locating the address of a data collection form on a map or street index and recording the appropriate geographic code on the form. ADMATCH also requires a reference source similar to a map or street index.

However, the reference source for ADMATCH must be computer readable. The Census Bureau has been assisted by planning agencies in most of the Nation's metropolitan areas in preparing reference sources that can be used with ADMATCH: address coding guides and geographic base files. Records in these files contain address ranges and geographic codes for block faces. Locally prepared street indexes with address ranges and geographic codes can also be used as a reference file. ADMATCH links the data records to the reference file records by matching the address on the data record to the address range in the reference file. When a match occurs, geographic codes from the reference file are attached to the data records.

ADMATCH OPERATION

The ADMATCH system requires that the data and reference files be processed in a three phase operation as follows:

Preprocessing—The ADMATCH Preprocessor program separates the various components of the address and creates a match key containing the items to be used in the match, including the street number, direction, name and type, and the ZIP code, city, and State. Special features of the Preprocessor include the ability to create city and State codes, standardize street type and direction (e.g., ST, AVE, N, EAST), correct misspelled street names on data records, and add records to the reference file to compensate for street names that are often misspelled or truncated.

Sorting—The data and reference files must be sorted on certain items in the match key including either the ZIP code or State and place codes, street name, and address number or range.

Matching—The ADMATCH Matcher program compares the various items in the match keys of the data file and reference file. When a match occurs, user-specified geographic codes from the reference file are attached to the data records. Since the quality of data files vary, the Matcher program can be directed to accept mismatches on the street type and direction to improve the chances for matching. Individual street addresses can be matched against individual street addresses as well as address ranges.

The ADMATCH programs have been tested with various types of data files. Based upon the successful results of these tests, ADMATCH is being made available. However, the Census Bureau staff will not be available to help resolve problems that arise in the use of these programs.

MACHINE REQUIREMENTS

The ADMATCH programs are written in IBM System/360 Assembler Language. Separate versions are available for use under the 16K Disk or Tape Operating Systems (DOS or TOS) and under the Operating System (OS) the minimum core storage requirement is 32K bytes, and a line printer and three magnetic tape or disk units are needed. The OS version of the ADMATCH package includes two additional programs not available with the DOS package.

PROGRAM TAPE

The computer program tape contains 80 column card images of the source and object programs for the Preprocessor and Matcher programs. An address component table and a street pattern recognition table, required for the Preprocessor program, are also included on the tape. Test files are also included on the tape.

The tape width is 1/2 inch. The tape reel is 10½ inches in diameter with a maximum length of 2,400 feet. The recording density is either 556 or 800 characters or bits per inch. The logical and physical record size is an 80 character punch card image. The size of the file is approximately 5,500 records.

AVAILABILITY

The ADMATCH Computer Program Packages (User's Manuals and Computer Programs) or the manuals only described here are available now and may be ordered by filling out the order form on the reverse side.

The Census Use Study is also developing two other computer program packages. These are:

DIME: A Geographic Base File System. A computer program package for creating a DIME geographic base file. Includes clerical instructions, a computer manual, and computer programs.

GRIDS: A Computer Mapping System. A computer program package for use on small-scale computers which provides three mapping options within a grid pattern: density, shading, and value maps. Includes users manual and computer programs.

For further information on the DIME and GRIDS computer program packages, write to the Publications Distribution Section, Social and Economic Statistics Administration, Washington, D.C. 20233.

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For further information on any of the THIRTEEN Census Use Study REPORTS, write to the Publications Distribution Section, Social and Economic Statistics Administration, Washington, D.C. 20233.

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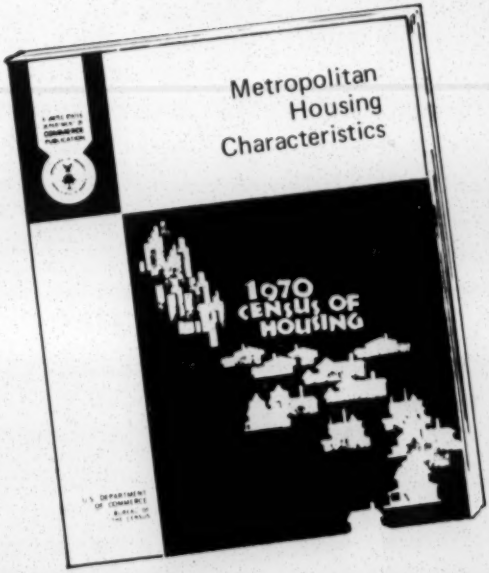

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Miami, Fla. 33130, 25 West Flagler St.
Milwaukee, Wis. 53203, 238 West Wisconsin Ave.
Minneapolis, Minn. 55401, 110 South Fourth St.

New Orleans, La. 70130, 610 South St.
New York, N.Y. 10007, 26 Federal Plaza, Foley Sq.

Philadelphia, Pa. 19107, 1015 Chestnut St.
Phoenix, Ariz. 85025, 230 North First Ave.
Pittsburgh, Pa. 15222, 1000 Liberty Ave.
Portland, Oreg. 97204, 520 S. W. Morrison St.

Reno, Nev. 89502, 300 Booth St.
Richmond, Va. 23240, 400 North 8th St.

St. Louis, Mo. 63103, 1520 Market St.
Salt Lake City, Utah 84111, 125 South State St.
San Francisco, Calif. 94102, 450 Golden Gate Ave.
San Juan, P.R. 00902, Post Office Bldg.
Savannah, Ga. 31402, 125-29 Bull St.
Seattle, Wash. 98104, 909 First Avenue

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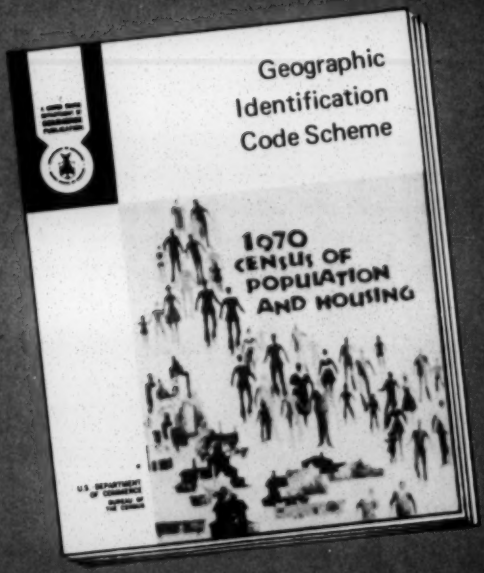
1970 CENSUS OF POPULATION AND HOUSING

Final Reports

Geographic Identification Code Scheme

PHC(R)-3 Series



U.S. DEPARTMENT OF COMMERCE
Social and Economic Statistics Administration
BUREAU OF THE CENSUS

DESCRIPTION OF PUBLICATION

Geographic Identification Code Scheme

The 1970 Geographic Identification Code Scheme presents the names of political and statistical subdivisions, and related geographic codes, for which the Bureau of the Census tabulated data from the 1970 Census of Population and Housing. The geographic codes contained in these publications correspond to those on the 1970 census summary tapes, Master Enumeration District Lists (MEDLists), Geographic Area Code Index, and Geographic Base Files.

The 1970 Geographic Identification Code Scheme is presented in four publications, one for each census region: the Northeast, South, North Central, and West. There are two tables for each State: (1) "Counties, County Subdivisions, and Places" which lists these geographic areas within the State in alphabetic sequence; and (2) "Alphabetic List of Place Names" which lists all places within the State in alphabetic sequence with their respective county, minor civil division (or census county division), and place codes. The final table in each of the four publications provides an alphabetical listing of the standard metropolitan statistical areas and urbanized areas, or parts thereof, located within each of the regions and the numeric codes which each of these has been assigned.

For descriptions of **FINAL REPORTS ISSUED PREVIOUSLY** on the 1970 Census of Population and Housing, write to the Publications Distribution Section, Social and Economic Statistics Administration, Washington, D.C. 20233.

These reports are also available on **MICROFICHE.** For further information on **MICROFICHE,** see reverse side.

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rolina, nessee,		1.50	$
,		1.75	$
na, Utah,		.60	$
reports			$

INFORMATION on the availability of MICROFICHE

All final reports in the 1970 Census of Population and Housing will be available for purchase on microfiche, individually, or by entire sets. Microfiche (sheet microfilm), in a standard size 4" x 6" (105mm x 148mm), contains up to 70 pages on one sheet, to be read on a microfiche reader. ORDER FORMS and/or FURTHER INFORMATION on MICROFICHE may be obtained from:

U.S. DEPARTMENT OF COMMERCE

NATIONAL TECHNICAL INFORMATION SERVICE

Springfield, Virginia 22151

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U.S. DEPARTMENT OF COMMERCE FIELD OFFICES

Publications of the Bureau of the Census may be ordered from any field office listed below.

Albuquerque, N. Mex. 87101, U.S. Courthouse
Anchorage, Alaska 99501, 412 Hill Building
Atlanta, Ga. 30309, 1401 Peachtree St., N.E.

Baltimore, Md. 21202, U.S. Customhouse
Birmingham, Ala. 35205, 908 South 20th St.
Boston, Mass. 02203, John F. Kennedy Fed. Bldg.
Buffalo, N.Y. 14202, 111 West Huron St.

Charleston, S.C. 29403, 334 Meeting St.
Charleston, W. Va. 25301, 500 Quarrier St.
Cheyenne, Wyo. 82001, 2120 Capitol Ave.
Chicago, Ill. 60604, 219 South Dearborn St.
Cincinnati, Ohio 45202, 550 Main St.
Cleveland, Ohio 44114, 666 Euclid Ave.

Dallas, Tex. 75202, 1100 Commerce St.
Denver, Colo. 80202, Room 161, New Customhouse
Des Moines, Iowa 50309, 210 Walnut St.
Detroit, Mich. 48226, Federal Bldg.

Greensboro, N.C. 27402, Federal Bldg.

Hartford, Conn. 06103, 450 Main St.
Honolulu, Hawaii 96813, 1015 Bishop St.
Houston, Tex. 77002, 201 Fannin Street

Jacksonville, Fla. 32202, 400 West Bay St.

Kansas City, Mo. 64106, 601 East 12th St.

Los Angeles, Calif. 90024, 11000 Wilshire Blvd.

Memphis, Tenn. 38103, 147 Jefferson Ave.
Miami, Fla. 33130, 25 West Flagler St.
Milwaukee, Wis. 53203, 238 West Wisconsin Ave.
Minneapolis, Minn. 55401, 110 South Fourth St.

New Orleans, La. 70130, 610 South St.
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Pittsburgh, Pa. 15222, 1000 Liberty Ave.
Portland, Oreg. 97204, 520 S. W. Morrison St.

Reno, Nev. 89502, 300 Booth St.
Richmond, Va. 23240, 400 North 8th St.

St. Louis, Mo. 63103, 1520 Market St.
Salt Lake City, Utah 84111, 125 South State St.
San Francisco, Calif. 94102, 450 Golden Gate Ave.
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Savannah, Ga. 31402, 125-29 Bull St.
Seattle, Wash. 98104, 909 First Avenue

6-14-72

CORRECTION NOTE

The following paragraph should be substituted for the 1st paragraph on page 1 of Census Users Bulletin No. 4.

"The DAUList programs designed to process the Fourth Count Population and Housing summary tapes and display their contents on a line printer are now available. The DAUList 4/Population program, developed on an IBM/DOS system, is written in FORTRAN with a COBOL read routine and requires approximately 60 K bytes of core storage. The DAUList 4/Housing program, also developed on an IBM/DOS system, is written in COBOL (level D) and requires approximately 50 bytes of core storage."

U.S. DEPARTMENT OF COMMERCE
Social and Economic Statistics Administration
BUREAU OF THE CENSUS
Washington, D.C. 20233

OFFICE OF THE DIRECTOR

June 14, 1972

1970 Census Users Bulletin No. 4

DAUList 4 Display Programs

The DAUList programs designed to process the Fourth Count Population and Housing summary tapes and display their contents on a line printer are now available. The DAUList 4/Population program, developed on an IBM/DOS system, is written in COBOL (level D) and requires approximately 60 K bytes of core storage. The DAUList 4/Housing program, also developed on an IBM/DOS system, is written in FORTRAN with a COBOL read routine and requires approximately 50 K bytes of core storage.

The programs can be obtained for $70 each from the Users' Service Staff, Data User Services Office, Bureau of the Census, Washington, D.C. 20233. Please specify whether the program tape should be in 7-track format with 556 or 800 cpi density in BCD characters, or 9-track format, 800 cpi density, in EBCDIC or ASCII characters.

Corrected Farm - Nonfarm Counts

As previously reported in a Census Users Bulletin, a misclassification exists in the statistics on farm - nonfarm residence published in the series PC(1)-C and HC(1)-B State reports and the Fourth Count summary tapes. The misclassification is limited to the farm - nonfarm components and is compensating between the components. Therefore, the population and housing unit figures for the rural areas as a whole are not affected, nor are the figures for urban areas and the State as a whole.

Corrected State figures are shown on page 2. Corrected figures for counties will be provided later this summer.

"Residence in 1965" Tabulations for Multi-State SMSA's

Table P-2 of the PHC(1) Census Tract reports and tabulation 29 of the Fourth Count/population summary tapes (files A, B, and C) contain certain incorrect data for components (counties, places, tracts, etc.) of those 30 SMSA's which cross State boundaries. One single-State SMSA is also affected because there is adjoining tracted area in another State.

RURAL POPULATION AND OCCUPIED RURAL HOUSING UNITS, BY FARM-NONFARM RESIDENCE, FOR THE UNITED STATES, BY STATE: 1970

State	Rural population			Occupied rural housing units		
	Total	Nonfarm	Farm	Total	Nonfarm	Farm
United States.....	53,878,857	45,586,707	8,292,150	15,877,820	13,477,056	2,400,764
Alabama.....	1,431,592	1,271,951	159,641	415,633	368,552	47,081
Alaska.....	153,853	152,740	1,113	38,198	37,899	299
Arizona.....	362,819	339,546	23,273	101,552	95,834	5,718
Arkansas.....	960,839	787,162	173,677	299,020	245,810	53,210
California.....	1,819,999	1,635,124	184,875	542,533	487,853	54,680
Colorado.....	471,177	385,188	85,989	141,840	116,564	25,276
Connecticut.....	688,131	673,183	14,948	195,953	191,352	4,601
Delaware.....	152,943	141,583	11,360	46,874	43,503	3,371
District of Columbia...	-	-	-	-	-	-
Florida.....	1,322,372	1,250,111	72,261	421,353	399,335	22,018
Georgia.....	1,822,991	1,651,447	171,544	522,037	471,439	50,598
Hawaii.....	130,811	124,878	5,933	33,106	31,576	1,530
Idaho.....	325,467	231,759	93,708	95,840	69,887	25,953
Illinois.....	1,887,548	1,458,822	428,726	573,745	443,426	130,319
Indiana.....	1,822,659	1,448,069	374,590	543,896	429,156	114,740
Iowa.....	1,207,551	695,180	512,371	373,465	229,798	143,667
Kansas.....	762,344	524,400	237,944	245,229	171,281	73,948
Kentucky.....	1,533,261	1,151,565	381,696	456,114	340,699	115,415
Louisiana.....	1,232,384	1,118,627	113,757	337,414	305,614	31,800
Maine.....	487,556	464,716	22,840	145,677	139,631	6,046
Maryland.....	917,501	855,116	62,385	254,891	237,279	17,612
Massachusetts.....	878,874	860,043	18,831	251,016	245,494	5,522
Michigan.....	2,319,906	2,042,377	277,529	664,179	586,864	77,315
Minnesota.....	1,278,411	823,895	454,516	369,627	251,991	117,636
Mississippi.....	1,229,600	1,019,277	210,323	339,298	282,043	57,255
Missouri.....	1,399,685	1,040,366	359,319	451,747	338,314	113,433
Montana.....	322,065	239,936	82,129	96,767	73,677	23,090
Nebraska.....	569,435	331,457	237,978	181,169	112,717	68,452
Nevada.....	93,517	85,801	7,716	29,651	27,474	2,177
New Hampshire.....	320,990	311,917	9,073	96,313	93,784	2,529
New Jersey.....	794,900	762,468	32,432	234,911	225,534	9,377
New Mexico.....	305,295	267,808	37,487	79,501	69,495	10,006
New York.....	2,632,536	2,441,877	190,659	753,125	702,421	50,704
North Carolina.....	2,796,538	2,421,846	374,692	815,185	705,486	109,699
North Dakota.....	344,119	191,858	152,261	101,581	61,338	40,243
Ohio.....	2,628,673	2,257,727	370,946	753,447	645,784	107,663
Oklahoma.....	818,211	642,862	175,349	266,964	209,268	57,696
Oregon.....	688,874	586,689	102,185	212,321	181,701	30,620
Pennsylvania.....	3,366,527	3,141,289	225,238	989,647	930,152	59,495
Rhode Island.....	123,565	121,206	2,359	32,211	31,489	722
South Carolina.....	1,358,623	1,247,095	111,528	373,427	343,726	29,701
South Dakota.....	368,877	206,147	162,730	109,955	66,433	43,522
Tennessee.....	1,616,980	1,300,163	316,817	488,381	390,509	97,872
Texas.....	2,266,898	1,880,724	386,174	698,811	572,761	126,050
Utah.....	205,959	179,662	26,297	55,405	48,777	6,628
Vermont.....	301,458	275,031	26,427	87,524	81,212	6,312
Virginia.....	1,717,340	1,524,556	192,784	491,526	434,096	57,430
Washington.....	932,672	820,846	111,826	285,283	253,236	32,047
West Virginia.....	1,064,712	1,007,267	57,445	317,529	300,256	17,273
Wisconsin.....	1,508,280	1,093,074	415,206	427,042	323,615	103,427
Wyoming.....	131,539	100,276	31,263	39,907	30,921	8,986

NOTE: Data based on 20-percent sample tabulation.

The error concerns data presented in the "Residence in 1965" tabulation for persons who have changed houses since 1965 but live in the same SMSA. Persons who resided in the central city five years ago, but have since moved to a part of the SMSA in a different State, are misclassified as having lived "in other part of this SMSA" in 1965, rather than "in central city of this SMSA" (see the table P-2 excerpt, below). In cases where more than one State in a multi-State SMSA contains a central city of the SMSA (e.g., Duluth-Superior, Minnesota-Wisconsin), tabulations of persons moving from either of the central cities to the other State are affected.

RESIDENCE IN 1965

Persons, 5 years old and over, 1970 . . . . . .

Same house as in 1970 . . . . . .
Different house:
In central city of this SMSA . . . . . .
In other part of this SMSA . . . . . .
Outside this SMSA . . . . . .
North and West . . . . . .
South . . . . . .
Abroad . . . . . .

The Cincinnati, Ohio-Kentucky-Indiana SMSA provides an example of the "Residence in 1965" misclassification problem. 1970 residents of the Indiana and Kentucky portions of this SMSA who should have been counted as living in the central city of Cincinnati, Ohio, in 1965, were erroneously classified as living "in other part of this SMSA" rather than "in central city of this SMSA."

These tabulations will be rerun and errata sheets will be obtainable later this summer on request from the Director, Bureau of the Census, Washington, D.C. 20233.

The following 31 SMSA's are affected by this tabulation error:

Allentown-Bethlehem-Easton, Pa.-N.J.
Augusta, Ga.-S.C.
Binghamton, N.Y.-Pa.
Chattanooga, Tenn.-Ga.
Cincinnati, Ohio-Ky.-Ind.
Columbus, Ga.-Ala.
Davenport-Rock Island-Moline, Iowa-Ill.
Duluth-Superior, Minn.-Wis.
Evansville, Ind.-Ky.
Fall River, Mass.-R.I.
Fargo-Moorhead, N. Dak.-Minn.
Fort Smith, Ark.-Okla.
Huntington-Ashland, W. Va.-Ky.-Ohio
Kansas City, Mo.-Kans.
Lawrence-Haverhill, Mass.-N.H.
Louisville, Ky.-Ind.
Memphis, Tenn.-Ark.
Omaha, Nebr.-Iowa
Philadelphia, Pa.-N.J.
Portland, Oreg.-Wash.
Providence-Pawtucket-Warwick, R.I.-Mass.
St. Louis, Mo.-Ill.
Sioux City, Iowa-Nebr.
Springfield-Chicopee-Holyoke, Mass.-Conn.
Steubenville-Weirton, Ohio-W. Va.
Texarkana, Tex.-Ark.
Toledo, Ohio-Mich.
Washington, D.C.-Md.-Va.
Wheeling, W. Va.-Ohio
Wilmington, Del.-N.J.-Md.
Youngstown-Warren, Ohio

Misformatted Allocation Records for Several Tracts

A programming problem has resulted in misformatting of the allocation records on the Fourth Count (population) summary tapes for 31 census tracts in fifteen States and the District of Columbia. The tracts involved are ones for which no sample data were collected; therefore, no data records are needed, and only allocation records, showing 100% population and/or housing counts, are presented. However, the allocation records for these tracts incorrectly consist of five physical records, rather than two physical records as normally formatted.

Time constraints and limited funds make it infeasible for the Census Bureau to recreate and issue new summary tapes to eliminate this problem. A list of the affected census tracts is being sent to all summary tape purchasers and may be obtained by writing to the Data Access and Use Laboratory.

Correction of GPO Phone Number

The phone number listed for the Government Printing Office in the May issue of Small-Area Data Notes (p. 6) included an incorrect area code. The correct code is 202. The complete number is 202/783-3238.

Available Printed Reports

The following tables present information on the availability of 1970 census reports. See Census Users Bulletins No. 2 and 3 for ordering instructions and information on summary tapes.

Table 1

Selected 1970 Census Final Reports

The following report series are either available in their entirety ("complete") or have one or more reports in print ("partial"). See attached tables for more information on the recently completed and partially released series. Additional information on any series may be obtained by writing to the Data Access and Use Laboratory, Data User Services Office, Bureau of the Census, Washington, D.C. 20233.

Series	Title	Release Status
PC(1)-A	Number of Inhabitants	Complete
PC(1)-B	General Population Characteristics	Complete
PC(1)-C	General Social and Economic Characteristics	Partial
HC(1)-A	General Housing Characteristics	Complete
HC(1)-B	Detailed Housing Characteristics	Partial
HC(3)	Block Statistics	Complete
PHC(1)	Census Tract Reports	Partial
PHC(2)	General Demographic Trends for Metropolitan Areas, 1960 to 1970	Complete
PHC(3)	Employment Profiles of Selected Low-Income Areas	Partial*

*PHC(3) reports (numbers 69, 71, 72, and 73) for selected rural counties are now available: (69) Selected Rural Counties in Alabama, $2; (71) Selected Rural Counties in Arkansas, $2; (72) Selected Rural Counties in California, $1.50; (73) Selected Rural Counties in Missouri, $1. Reports 70 & 74-76 are not yet available. See Census Users Bulletin No. 2, table 5, for information on the other reports in this series.

Table 2

TITLE:

PRICE OF REPORTS

IN STATE REPORT SERIES NOW BEING RELEASED

	PC(1)-B C3.223/6:970	PC(1)-C C3.223/7:970	HC(1)-B C3.224/3:967
UNITED STATES	$1.00		
ALABAMA	1.25	$2.25	$2.00
ALASKA	.65	1.25	1.00
ARIZONA	.60	1.50	1.00
ARKANSAS	1.25	2.25	2.00
CALIFORNIA	1.75		4.50
COLORADO	1.00	2.00	1.75
CONNECTICUT	1.00	2.50	1.50
DELAWARE	.50	1.25	1.00
DIST. OF COLUMBIA	.40	1.25	1.00
FLORIDA	1.25	3.00	2.50
GEORGIA	1.75	3.25	3.50
HAWAII	.55	1.25	1.00
IDAHO	.75	1.50	1.50
ILLINOIS	2.00		3.50
INDIANA	1.75	3.00	2.75
IOWA	1.50		2.50
KANSAS	1.50	2.25	2.50
KENTUCKY	1.50	2.75	2.75
LOUISIANA	1.25	2.25	2.00
MAINE	.75	1.50	1.25
MARYLAND	.75	2.00	1.50
MASSACHUSETTS	1.25	3.25	2.00
MICHIGAN	1.75	3.25	3.00
MINNESOTA	1.75	2.25	2.50
MISSISSIPPI	1.00	2.00	2.00
MISSOURI	1.50	2.50	3.00
MONTANA	1.00	1.75	1.50
NEBRASKA	1.25	2.00	2.00
NEVADA	.60	1.25	1.25
NEW HAMPSHIRE	.60	1.50	1.00
NEW JERSEY	1.50	3.00	2.50
NEW MEXICO	.70	1.75	1.25
NEW YORK	1.75	3.25	3.25
NORTH CAROLINA	1.50	2.50	2.50
NORTH DAKOTA	1.25	1.50	1.50
OHIO	1.75		3.75
OKLAHOMA	1.25	2.25	2.00
OREGON	1.00	1.50	1.50
PENNSYLVANIA	2.25	3.50	4.00
RHODE ISLAND	.55	1.50	1.00
SOUTH CAROLINA	1.00	1.75	1.75
SOUTH DAKOTA	1.25	1.50	1.75
TENNESSEE	1.25	2.25	2.25
TEXAS	2.50	6.00	5.25
UTAH	.65	1.50	1.50
VERMONT	.60	1.25	1.00
VIRGINIA	1.50	3.00	2.75
WASHINGTON	1.00	2.00	1.50
WEST VIRGINIA	1.00	2.00	2.00
WISCONSIN	1.75	2.50	2.25
WYOMING	.60	1.00	1.25
PUERTO RICO	1.25		1.25

Table 3

Price of Available Census Tract Reports

Report Series PHC(1)

GPO Cat. # C3.223/11.970

Report No.	Standard Metropolitan Statistical Areas	Price
1	Abilene, Tex.	$ .60
2	Akron, Ohio	1.00
3	Albany, Ga.	.55
4	Albany–Schenectady–Troy, N.Y.	1.50
5	Albuquerque, N. Mex.	1.00
6	Allentown–Bethlehem–Easton, Pa.–N.J.	1.50
7	Altoona, Pa.	.50
8	Amarillo, Tex	.60
9	Anaheim–Santa Ana–Garden Grove, Calif.	2.50
10	Anderson, Ind.	
11	Ann Arbor, Mich.	
12	Appleton–Oshkosh, Wis.	.75
13	Asheville, N.C.	.55
14	Atlanta, Ga.	2.00
15	Atlantic City, N.J.	1.00
16	Augusta, Ga.–S.C.	.60
17	Austin, Tex.	1.00
18	Bakersfield, Calif.	.75
19	Baltimore, Md.	1.50
20	Baton Rouge, La.	1.00
21	Bay City, Mich.	.50
22	Beaumont–Port Arthur–Orange, Tex.	
23	Billings, Mont.	.50
24	Biloxi–Gulfport, Miss.	.55
25	Binghamton, N.Y.–Pa.	
26	Birmingham, Ala.	1.75
27	Bloomington–Normal, Ill.	.50
28	Boise City, Idaho	.60
29	Boston, Mass.	3.25
30	Bridgeport, Conn.	.70
31	Bristol, Conn.	
32	Brockton, Mass.	.50
33	Brownsville–Harlingen–San Benito, Tex.	.65
34	Bryan–College Station, Tex.	.45
35	Buffalo, N.Y.	1.25

Report No.	Standard Metropolitan Statistical Areas	Price
36	Canton, Ohio	$1.50
37	Cedar Rapids, Iowa	$1.00
38	Champaign–Urbana, Ill.	1.00
39	Charleston, S.C.	1.50
40	Charleston, W. Va.	1.00
41	Charlotte, N.C.	1.00
42	Chattanooga, Tenn.–Ga.	1.00
43	Chicago, Ill.* Part 1 Part 2	7.50
44	Cincinnati, Ohio–KY.–Ind.	1.75
45	Cleveland, Ohio	2.50
46	Colorado Springs, Colo.	1.00
47	Columbia, Mo.	.50
48	Columbia, S.C.	1.50
49	Columbus, Ga.–Ala.	1.00
50	Columbus, Ohio	2.00
51	Corpus Christi, Tex.	1.00
52	Dallas, Tex.	2.50
53	Davenport–Rock Island–Moline, Iowa–Ill.	1.50
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79	Gainesville, Florida SMSA	.50
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85	Greensboro-Winston-Salem-High Point, North Carolina SMSA	1.00
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113	Lawton, Oklahoma SMSA	.55
114	Lewiston-Auburn, Maine SMSA	.60
115	Lexington, Kentucky SMSA	.55
117	Lincoln, Nebraska SMSA	.55
118	Little Rock-North Little Rock, Arkansas SMSA	.70
124	Lynchburg, Virginia SMSA	.50
125	Macon, Georgia SMSA	.65
126	Madison, Wisconsin SMSA	.55
127	Manchester, New Hampshire SMSA	.55
130	Memphis, Tennessee-Arkansas SMSA	.65
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147	New London-Groton-Norwich, Connecticut SMSA	.60
148	New Orleans, Louisiana SMSA	1.00
150	Newark, New Jersey SMSA	1.25
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152	Norfolk-Portsmouth, Virginia SMSA	1.00
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161	Paterson-Clifton-Passaic, New Jersey SMSA	.75
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188	Salem, Oregon SMSA	.55
189	Salinas-Monterey, California SMSA	.65
190	Salt Lake City, Utah SMSA	.60
194	San Diego, California SMSA	1.00
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198	Santa Rosa, California SMSA	.55
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219	Terre Haute, Indiana SMSA	.55
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(continued)

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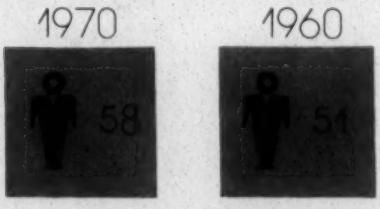

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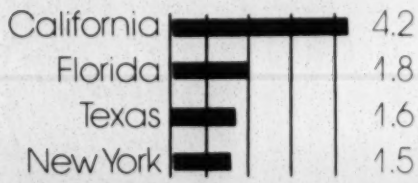

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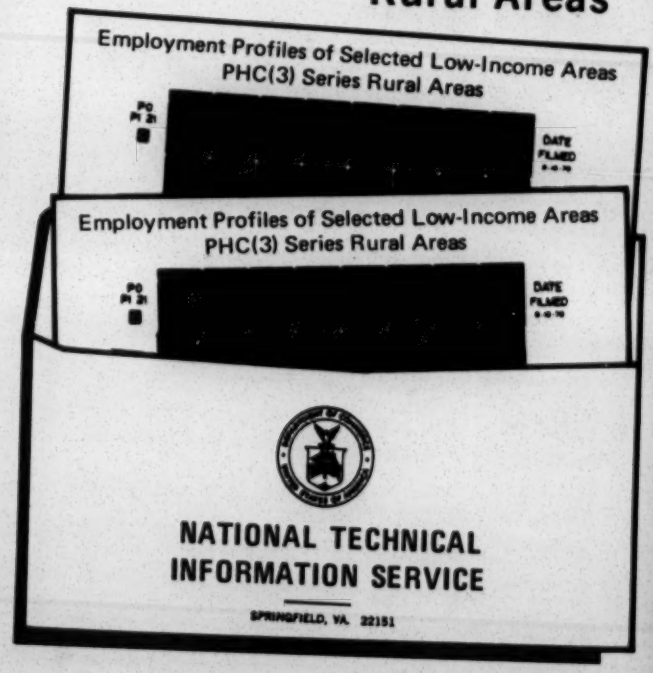

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A UNITED STATES DEPARTMENT OF COMMERCE PUBLICATION

small-area data

Vol. 7, No. 6
June 1972

U.S. DEPARTMENT OF COMMERCE • Social and Economic Statistics Administration • BUREAU OF THE CENSUS

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DEPUTY DIRECTOR APPOINTED

Robert L. Hagan, who began his career with the Census Bureau in 1946, has been appointed Acting Deputy Director of the Bureau. He succeeds Joseph Wright, Jr., who has become Deputy Administrator for Management in the Social and Economic Statistics Administration.

Mr. Hagan joined the Bureau in Kansas after World War II military service. He became District Supervisor in Kansas City in 1948 and in 1956 was named Regional Director in St. Louis. In 1958, Mr. Hagan joined the Geography Division as Assistant Chief. He continued in that position until 1969.

As preparations for the 1970 Census of Population and Housing got underway, Mr. Hagan was reassigned to the Jeffersonville Census Operations Division (now the Data Preparation Division) as Assistant Division Chief for Decennial Census Operations. In 1971, he was named Chief, Data Preparation Division, Jeffersonville.

SPECIAL CENSUSES

The Bureau of the Census has a program for conducting special population censuses on a cost-reimbursable basis. The special census as normally carried out provides only total population and housing unit counts. At an additional charge, these counts can be tabulated for enumeration districts or blocks. Data on age, race, and sex can also be made available for enumeration districts at an additional charge. The enumeration districts for a special census can be delineated so that data will be available for wards, voting precincts, school districts, etc.

For an area having a special census population of 50,000 or more, a publication showing data for the area by age, race, and sex is prepared by the Census Bureau. If the area has census tracts, these data are shown by tracts. These reports are issued in *Current Population Reports*, series P-28. Other reports in this series are issued quarterly and annually, presenting population figures for all the special censuses conducted during the report period.

For sale by the Bureau of the Census, Washington, D.C. 20233, and U.S. Department of Commerce field offices. 10 cents.

A special census is undertaken on the authorization of an appropriate local government. The local government agrees to pay all the necessary expenses and to provide suitable office space and equipment. The cost of a special census is based on the population to be enumerated and the type of area for which the census is to be conducted. Per capita costs for a special census are slightly higher in metropolitan areas than in rural areas. The average cost for a city of 10,000 is $4,300. About 2 weeks are required to complete the enumeration for a city of this size. An official cost estimate may be obtained from the Chief, Population Division, Bureau of the Census, Washington, D.C. 20233. A request for a cost estimate should be accompanied by the latest population estimate for the municipality.

New Guide to Geographic Codes

The Bureau of the Census has published the *1970 Geographic Identification Code Scheme* (GICS), a four-volume guide to the geographic codes for the component parts of each State. Each volume reports on a different region of the country (Northeast, North Central, South, and West). For each State within a region, the GICS presents two tables. Table 1, arranged by counties within the State, shows the following codes, as appropriate, for counties, county subdivisions, and places: State, county, SMSA, economic subregion, State economic area, MCD, place, place description, and place size. Table 2 presents alphabetically all the places within the State with their corresponding county, county subdivision, and place codes. A third table, shown once for each volume, presents SMSA and urbanized area codes for the entire United States.

The *1970 Geographic Identification Code Scheme* is sold in four separate parts: Northeast, $1; North Central, $1.75; South, $1.50; and West, 60 cents. Copies of the GICS can be ordered from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Order forms are being sent to persons on the *Small-Area Data Notes* mailing list.

The information published in the *1970 Geographic Identification Code Scheme* is also available from two other sources--the Master Enumeration District List (MEDList) and the Geographic Area Code Index (GACI)--which are available from the Census Bureau on paper copy, computer tape, and microfilm.

T-GUIDE Program Released

The Data Access and Use Laboratory has developed a computer program, T-GUIDE, designed to create street reference files at the census tract level from the DIME files. The files produced by the T-GUIDE program contain all streets within every census tract included in the DIME files, indicating the low and high address range for each street. A separate record is produced for the odd and even side of each street to facilitate the use of the files with ADMATCH, as well as other computer matching programs.

The T-GUIDE program reads the DIME file, drops the nonstreet records (such as railroad tracks, streams, etc.), splits the street segment records, thus creating a record for each side of the street, and then collapses the address ranges of the block side records along the length of the street within each census tract. The program also provides additional breaks in address ranges at each minor civil division, place, county, or State boundary.

Tests conducted on existing files have resulted in an approximately 60-percent reduction in the size of the DIME files, thereby allowing for manual, as well as speedier mechanical, geocoding with the resulting files.

The T-GUIDE program is written for the IBM 360/40 (DOS) in COBOL and can be used with both the undigitized and digitized DIME files. A program listing and the record layout for the resulting T-GUIDE file can be obtained from the Data Access and Use Laboratory, Data User Services Office, Bureau of the Census, Washington, D.C. 20233.

Data for Non-SMSA Tracts

About 100 counties and places outside standard metropolitan statistical areas (SMSA's) were subdivided into census tracts for the 1970 census (see SAD Notes Vol. 5, No. 11 for a list of the tracted areas outside of SMSA's). Complete-count and sample data for the non-SMSA tracted areas were tabulated on the Second and Fourth Count summary tapes, respectively, but data for these areas have not been published in the *Census Tract Reports*, series PHC-1. However, photocopies of unpublished tables for the non-SMSA tracts, which are structured identically to the published tables, can be purchased from the Users' Service Staff. Tract outline maps covering the non-SMSA tracted areas can also be purchased from that office. For cost information, write to the Users' Service Staff, Data User Services Office, Bureau of the Census, Washington, D.C. 20233.

Differences in Complete-Count and Sample Totals

A number of inquiries have been made to the Bureau concerning differences in sample and complete census figures, as shown in the PC(1)-B and PC(1)-C reports, as well as related publications. Similar differences also exist between complete-count and sample data on the summary tapes. These differences do not imply that errors in processing the census were made. Information obtained from a sample will not have the same accuracy as that provided by a full count.

The differences observed when complete counts are compared to estimates based on the 20- or 15-percent sample for a given area come about for two reasons, basically. One is the way the sample data are weighted to estimate distributions for the entire population; the other concerns the establishment of the sets of areas within which the weighting is done.

There are several methods of weighting data collected from a sample of housing units. The simplest is to multiply the 20-percent sample data by five, and the 15-percent data by the ratio of 100 to 15. This is essentially the method used in the 1950 Censuses of Population and Housing. An improved method is to weight the sample units in such a way that the total number of persons given by the sample becomes equal to the number enumerated in the complete count for each of a set of areas. Still a third method attempts to create consistency between sample and complete counts not only for the total population, but also for major subgroups (determined, for example, by sex, race, age, etc.). The third method is the one used for the samples in the 1960 and 1970 censuses. A description of this method, as applied in the 1970 census, is given in appendix C of the PC(1)-C reports and in a related article in SAD Notes, Vol. 7, No. 1.

To apply this method, however, it was necessary to establish a minimum size for the area within which the weighting would be performed. Without such a minimum, there might be places with zero or a trivial number of sample cases to be weighted up to a population count.

To avoid such a problem, the Bureau decided to adopt a minimum size of 2,500 persons for the 20- and 15-percent sample weighting areas. Where a city, tract, or other tabulation area contained 2,500 or more persons, it was, wherever feasible, made into a separate weighting area. Smaller areas were combined (sometimes with areas over 2,500) to achieve the minimum size.

This decision means that in tabulation areas of less than 2,500, the sample estimates and complete census counts will frequently disagree. It also means similar discrepancies can occur for larger areas, since it was frequently necessary to combine small residual parts of places or counties with larger areas.

When data are needed on the total population, households, age distribution, or other subjects covered on a 100-percent basis, the PC(1)-A, PC(1)-B, or HC(1)-A reports--or the complete-count summary tapes--should be used. In the PHC(1) tract reports, tables P-1, H-1, and H-3, derived from the complete count, should be used in preference to other tables for complete-count characteristics. In the few cases in which there are large differences between the sample and 100-percent count, the sample distributions can be adjusted by the ratio of the complete count to the total for the sample. This, however, will produce only minor reductions in the sampling errors for most sample statistics. For these areas, the sampling errors are relatively high (in a place of 1,200 population, there will typically be about 80 households in the 20-percent sample and 70 in the 15-percent sample) and even under the best conditions, the sample distributions cannot be considered as very precise estimates of the total population.

New DAD's To Be Issued

Two new *Data Access Descriptions* will be released soon. DAD No. 28, "Delineation of Problem Housing Areas," series CEP-6, describes a possible method of using 1970 census data in the study of housing and neighborhood quality at the local level. Information is provided on the methods of collecting and evaluating data on the quality of housing in past censuses and on the 1970 substandard housing estimates to be published in volume VI of the housing reports series.

DAD No. 29, "Low-Income Data From the 1970 Census," series CEP-7, describes the availability of low-income data in various output forms: printed reports, summary tapes, public use samples, and special tabulations. Low-income concepts are discussed and the 1970 census questionnaire items used as the source of low-income data are identified. In addition, selected terms relating to low income are defined.

SAD Notes subscribers will receive copies of these *Data Access Descriptions*. Copies will also be available on request from the Data Access and Use Laboratory, Data User Services Office, Bureau of the Census, Washington, D.C. 20233, or from any Department of Commerce field office.

LOCAL PROJECTS WITH CENSUS DATA

Academic Census Data Center, a Summary Tape Processing Center in Pacific Palisades, Calif., has devised a reformatting program to display tabulations of related data. Medians, averages, and percentages are included in the tables when appropriate. For example, tables pertaining to housing value, tenure, and plumbing facilities may be displayed in adjacent columns to expedite and simplify comparisons of data.

Rather than numbering their tables sequentially, the Center has devised a scheme for relating the tabulation number to the actual data content. The first digit of each tabulation number indicates one of 10 major census data categories, as determined by the Center; the second digit identifies the particular variable under consideration. As compiled, the tables are adaptable for direct use in reports and may be used in producing publications in quantity without further typesetting.

Currently, the staff of the Academic Census Data Center is working on a "Census Thesaurus" or index to the contents of all 1970 census summary tapes and printed reports. The thesaurus will be organized in the data categories and variables mentioned above and will include several geographic indexes showing which tabulations are available for different types of areas (e.g., counties, places, census tracts).

The Center also provides interpretive newspaper articles on census findings, with particular emphasis on local areas and the social origins of existing conditions.

Additional information about these and other services may be obtained by writing to the Academic Census Data Center, 16332 Akron St., Pacific Palisades, Calif. 90272.

* * * * *

Another Summary Tape Processing Center, Becker and Hayes, Inc., in Los Angeles has inaugurated a unique census access service, CENSAC, on the network facilities of National CSS, Inc. CENSAC enables the National CSS user to purchase, on a self-service basis, a machine-readable file of 1970 census data for any area in the United States. The data file generated by CENSAC is in a binary format which can be efficiently processed with any of the standard compiler languages.

The user initiates a data request to CENSAC from his remote terminal by entering the geographic area and the data items desired into a specifications file. CENSAC's INFO function then analyzes the request and provides a cost estimate and statement of tape or storage requirements. The user can then acquire the census data file by invoking the CENSAC RUN function either on-line or as a batch run. CENSAC produces the binary census file on either tape or disk, supplies full file documentation, and generates a machine-readable file of FORTRAN data declaration and equivalence statements to assist the user in processing the data file.

CENSAC presently allows the user access to the First Count and Second Count Summary Tapes (File A) for the entire United States. Access to the national Fourth Count File A (population and housing) will be available in July 1972.

For additional information on CENSAC, contact a National CSS, Inc., representative or Becker and Hayes, Inc., 11661 San Vicente Blvd., Los Angeles, Calif. 90049.

* * * * *

Using census and other data, the Urban Growth Patterns Research Group at the Oak Ridge National Laboratory, Oak Ridge, Tenn., is conducting a research program for the Department of Housing and Urban Development to study national urban growth patterns, to determine the principal factors affecting such patterns, and to evaluate alternative policies which might be employed to modify or direct future population distribution. The principal sources of quantitative data that are being used in this program to measure and predict urban growth patterns are: (1) the 1960 and 1970 census data (all counts, as well as the public use samples), (2) census *County Business Patterns* data, (3) Internal Revenue Service data, and (4) the Social Security Continuous Work History Sample data. Several other specialized data sets are being utilized for research in specific areas.

Among the research areas receiving special attention are the following:

- Population distribution and concentration, specifically the processes of suburbanization and the effects of the interstate highway system
- Urban-suburban-rural differences in socioeconomic characteristics
- National and intrametropolitan labor force mobility

- City and urban area growth patterns by size of place
- Migration flows and the characteristics of migrants

* * * * *

The Bureau of Population and Economic Research of the University of Virginia is preparing and publishing reports for Virginia which draw upon 1970 census results. Thus far, three of these reports are available:

Selected Population Characteristics of Virginia 1970 and *Selected Housing Characteristics of Virginia 1970*.--These publications provide those data items from the First Count which appeared to be of most interest. The first volume contains data on race, age-sex composition, head counts of minor civil divisions, and intercensal population estimates for all counties and independent cities in Virginia. The housing volume shows the distribution of housing units by type (owner-occupied, renter-occupied, vacant for rent, vacant for sale, vacant year round, seasonal, and migratory), units by type of structure (single unit, multiunit, mobile), and housing characteristics of persons. These data are also provided for all counties and independent cities in the State.

Virginia's Population: A Decade of Change. I, "Demographic Profile".--This is the first in a projected series analyzing demographic and socioeconomic change within the State, as revealed by 1970 census data. The present publication provides an overview of basic census results, focusing on population growth in Virginia relative to the United States and other South Atlantic States; components of population change for the State and for local planning areas, cross-classified by race; the age composition of the State and local areas, also by race; the potential strength of newly eligible voters in the State; sex ratios; and patterns of urbanization. The basis of most of the analysis is the State planning district.

To receive these reports or to be placed on the mailing list for future materials, write to Assistant Director, Bureau of Population & Economic Research, University of Virginia, 1910 Thomson Rd., Lambeth House, Charlottesville, Va. 22903. The Bureau of Population and Economic Research is also interested in entering into publication exchange programs with other institutions.

* * * * *

The second issue of *Census News and Notes*, a newsletter published quarterly by the New England Regional Center for Health and Demographic Statistics, a Summary Tape Processing Center, appeared in April. Census data users interested in what public and private organizations in New England are doing with census data may want to obtain this and future issues.

Some subjects covered in the April issue are:

> Fourth Count software for deriving generic reports rather than total displays, being developed by the Social Science Data Center, University of Connecticut at Storrs. The first reports will contain income, occupation, and education statistics for each Connecticut town, shown for total, white, Negro, and Spanish American populations.
>
> Two studies, "Estimates of Peak Seasonal Population in Each Municipality in Maine 1970" and "A System for Generating Population Projections for Maine," recently undertaken by the Public Affairs Research Center, Bowdoin College, under contract with the State Planning Office of Maine.
>
> A miniprofile on all minor civil divisions in New England being produced from the Fourth Count tapes by the Resources Development Center at the University of New Hampshire, under contract with the New England Regional Commission and in cooperation with the New England Regional Center for Health and Demographic Statistics.

To obtain a copy of the April issue of *Census News and Notes* or to receive future issues, write to Director, New England Regional Center for Health and Demographic Statistics, New England Center for Continuing Education, Administration Building, 15 Garrison Ave., Durham, N.H. 03824.

New Summary Tape Processing Centers

The following organizations have been recognized as Summary Tape Processing Centers during the past month:

Infomark Corp.
Attn: Charles S. Miles
305 East 46th St., Suite 601
New York, N.Y. 10017

OSLA Financial Services Corp.
Marketing Research Division
Attn: Robert A. Anderson
Director, Information Services
6201 West Cermak Rd.
Berwyn, Ill. 60402

Iowa State University
Attn: Dr. H. C. Chang
Assistant Professor
Department of Sociology
and Anthropology
103 East Hall
Ames, Iowa 50010

CENSUS USE STUDY

GRIDS, DIME Computer Packages Developed

A computer package called "GRIDS: The Grid-Related Information Display System" has been developed by the Census Use Study. This is a generalized computer graphics system capable of performing a wide variety of mapping tasks. It produces density, shading, and value maps within a grid pattern. A routine supplied with the system allows DIME file street networks to be printed displaying segments, city and census tract boundaries, and nodes. GRIDS is written in ASA Basic FORTRAN IV and will run on any computer system with a suitable FORTRAN compiler and sufficient storage, regardless of computer word size or operating system. GRIDS will operate on a machine as small as an IBM System/360 Model 30 computer with 32K bytes of storage. The cost for the GRIDS computer package (computer program tape and users manual) is $70. Further information may be obtained from the Users' Service Staff, Data User Services Office, Bureau of the Census, Washington, D.C. 20233.

The Census Use Study is also releasing a computer package called "DIME: A Geographic Base File System." The DIME (dual independent map encoding) file is a machine-readable geographically coded reference file which may be used for automated address coding, spatial analysis, and computer mapping of socioeconomic and demographic data. The file can be used to assign data to blocks or other areal units such as traffic zones or planning districts. The presence of coordinates in the file makes possible the calculation of areas, block centroids, and distances between points, as well as providing the necessary input for computer mapping.

This DIME package was designed primarily for new SMSA's or non-SMSA cities which desire automated geographic coding capability. It includes both clerical and computer procedures. Further information may be obtained from the Census Use Study, Data User Services Office, Bureau of the Census, Washington, D.C. 20233.

Materials Prepared for HUD

At the request of the Department of Housing and Urban Development, the Bureau of the Census, through the Census Use Study, has produced a series of statistical maps and special census data tabulations for five large metropolitan areas: Boston, Detroit, Philadelphia, St. Louis, and Wilmington. These maps are being used by HUD to launch a new program of regional cooperation on urban problems called Total Option Process (TOP).

Part of the project involved preparation of a full set of special tabulations of census data, both 100 percent and sample, for locally defined planning districts. Elements of these tabulations were carried back to the 1940 census to indicate population changes. The mapping part of the process consisted of 31 statistical maps, using the Census Use Study GRIDS mapping system, for each of the five metropolitan areas.

"Introduction to Small-Area Geographic Subdivisions for Which the U.S. Bureau of the Census Collects and Tabulates Data".--A general introduction to selected sub-State geographic areas is presented in this paper, which was prepared by DAUL staff members for inclusion in a publication of the University of Leuven, Belgium. For each geographic area (e.g., SMSA, county, place, census tract, enumeration district), a definition is presented, the agency responsible for defining the area is identified, the origin and development of the area are traced, and the latest censuses for which data were collected for the area are listed. A limited number of copies are available on request from the Data Access and Use Laboratory, Data User Services Office, Bureau of the Census, Washington, D.C. 20233.

Current Population Reports, "Preliminary Projections of the Population of States: 1975 to 1990," series P-25, No. 477 (8 pp., 10 cents).--The projections in this report are presented for 5-year intervals from 1975 to 1990. Census counts for 1960 and 1970 are included for comparison. Four alternative series of projections are shown, based on differing assumptions concerning future national fertility and interstate migration. The projections are not intended as predictions, but as indications of the population distribution which would develop on the basis of these assumptions.

Available from the Government Printing Office, Washington, D.C. 20402, or any Commerce field office.

Current Population Reports, "Projections of the Population by Voting Age for States: November 1972," series P-25, No. 479 (11 pp., 15 cents).--This report presents projections of the population of voting age for States by race and broad age groups for the presidential election of November 1972. Also included are estimates of the proportion casting votes for President or Congress in 1968 and 1970 election years. Appendix tables show current residence requirements and dates of presidential and congressional primaries. Available from the Government Printing Office or any Commerce field office.

USES Report No. 1, *Census Fourth Count Summary Tape: Selected Socio-Economic Characteristics of Marion County, Indiana* (411 pp.).--This is the first in a series of reports published by the Unified Statistical Evaluation Study, a joint project of metropolitan Indianapolis and the Bureau of the Census. (See SAD Notes Vol. 6, No. 12.) This report provides selected socio-economic characteristics for three population groups: total, Negro, and Spanish American. Tabulations and bar charts used in this publication were produced with the Census Use Study FOURUSE system for selecting and processing Fourth Count data. (The FOURUSE system is currently being documented and will be available for test release very shortly.) For more information on USES Report No. 1, write to the Census Use Study, Data User Services Office, Bureau of the Census, Washington, D.C. 20233.

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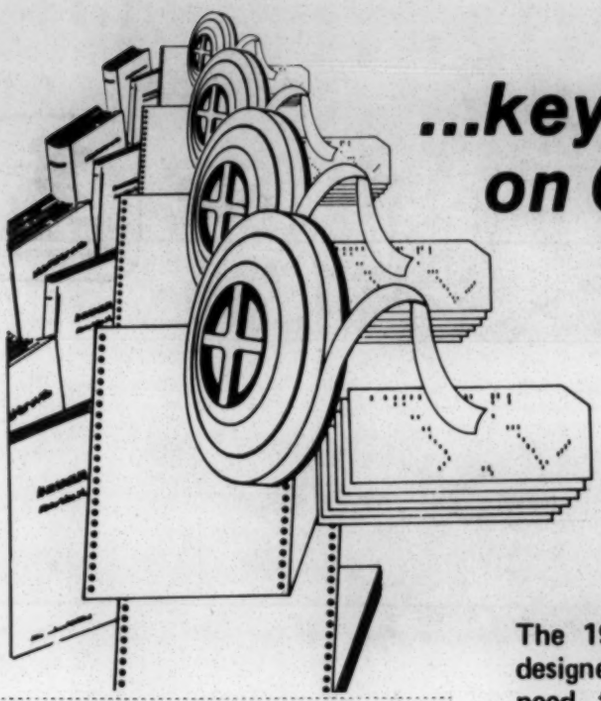

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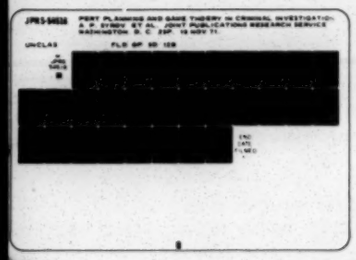

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Census Pop. Studies

MEMO FROM THE DESK OF:

LUCY WATKINS

1/19/73

To: Esser, Bowie, Harris, Campbell, Via, Anderson

From: Lucy

In the absence of maps, and their complete unavailability, I have gotten Bernice to get us 10 outline maps of the U. S., 5 all black and 5 with states indicated in black and counties in blue. The all-black may reproduce more easily, but the blue and black may be more useful for office purposes. Cities are not indicated, but county names are very clear.

We will still continue to look for the Census maps already prepared (and on order, just delayed for months), but we may have to do our own art work on these outline ones in order not to delay publications.

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Census - EV

POPULATION CHANGE AND POVERTY REDUCTION, 1947-1975

Robert J. Lampman

reprint 2

Population, Commerce and Industry

Census

Archie Davis - Wachovia
Chm of Int'l Mark
of ABA Pres.

#9
Robert Giles
Hendricks

John Summerhill
Seld on (?) Hdqt

Moyse Freedman
M.D., Harvard, Pub Health Johns Hopkins
1966 – Dir. of Pop. Center

Cracking the World Population Problem

Scott
~~Wy, Bell, Cyr, Pa, Tuggle~~,

Pap Center — (largest Univ. center in world)
Staff — 100
17 depts related
Fund grant to start
Also involves Duke, NC State, & Triangle
100 students — MA & PhD —

1/3 of NC budget expends family resources
only 10% of those needing public supported info, get it.

Problem: "inability" to distribute resources — also to produce —
* knew how to produce — but he is bothered about getting it to people in need

Clayton —
out of law — clerked for
Hand & Brandeis —
was firm of Covington — Burling —

Spelgler —

Clayton (9 states)
Va, SC, NC, Ga, Tenn, Ky, Ala, Fla, Miss
States Served by his Co.

9
Employment 1930 — 2/5 of Lab in Ag
1/5 Mfg

1960 1/10 in Ag.
2/5 in Mfg.

Investment has followed
employment —
By 1975 (McGraw Hill proj)
will account
47% of Industrial output —

Clayton (long commercial)

Food — meat chief source of protein, but So. consumes much more than produce

"Big John" hopper grain car — lowered rates by 60% — (So Ry Co) fairly recent

EU — Tragedy of slow transp. develop

So had pastures, climate, water, but grain & beef shipment were exp.

Solid waste disposal

Compaction in homes

need reclamation & recycling

but until then So Ry system is best — used as land fill after shredding & compressed into uniform size & mixed in with soil on the site —

Fuel Supplies

So Ry working on Big new mines & by improved integrated transp. — Sheffield, Ala ~~(?)~~ will be a disposal center — combine barges & RR —

ASTRO — Proposed Transp. review agency has backing of RR. & unions

Moeger

JV — 2
RV — 0
EV — 1
BV — 3

MJ — 5
MVJ — 0
RJ — 0

1.5
7)11.00

Spengler

A key to So.'s future is how it meets discretionary resources — time ~~or~~ income

could reduce workweek —

ratio of rel

So. must husband water resources

1/4 of recreation; amenities of urban living, industrial function

Limit City Size —

Public ownership of land surrounding the city —

Surrounding area now causes problems cost of which borne by central — pollution,

Modern Corp. must be flexible —

free of restriction — from Unions & govt. —

(how relate to need to control cities & Emmet)

Kerr 1970-80

Can anticipate changes -
family composition
expenditure patterns

I Impact in So. will be greatest
1) rapidly rising young family pop.
under 35 (50% over 1960)
2) Elderly section increasing - over 55
20% over
3) 35-55 stay at some level
35-44 - decrease
45-54 - 4% increase
? 4) by 1980, under 25 will in an
larger deficit of disposable
income -
5)

III Equalizing of $ outlays for certain

Transp, Med., Recreation & Culture,
will reflect changing life styles -
"do things" instead of "have things"

IV Normally

35-54 age group —

Cost of own children in College

+

Keeping other (Tax) ed. costs

Older group —

Retired — mobility —

Coming to Fla — leads to

megapolis — Jacksonville to

Miami —

Also inter-city mobility among

over 65 group —

Marshall

Definition –

Human Res. Develop. –

Improving econ productivity of people.

Also, improving quality of life

What do you do for those already disadvantaged (Salvage)

What for prevention –

Quality of Labor force & rec

Indirect Costs to business for inadequate Hum. Res. develop.

Pop. policies must be a part of overall Soc. policies –

Marshall – HRD – quality
rural areas contributed
to the migration to urban

1) Main So. HR problem
Low productivity
1/2 of U.S. poor
esp. important for NW & Rural

2) NW farm incomes are low
of wh – & gap widened
during the 60's
No improvement in real terms
for Bl. farmers (6%)
Whites 39% increase

3) Displacement from ag.
unprepared to transfer
Increasing underemployment
in ag. & rural areas
Why – jobs of rt. kind not
coming in – doesn't use the
displaced –
of displaced workers
Bl. – 50% are 40 yrs ed
White – 25%
2,291M full time jobs
eliminated.

Marshall

Only 4 of 50 maj non-ag. industries had less than 10 yrs of avg. ed. of its work force

total mig. was 7 times next for White males
4 times for Bl males —

What's required —
econ develop — job creation
better quality industry

(?) It is not true that low wage industry is leaving farther than other

So a basic is a mismatch between new jobs & existing work pop.

Don't discourage low-wage industries —

Marshall

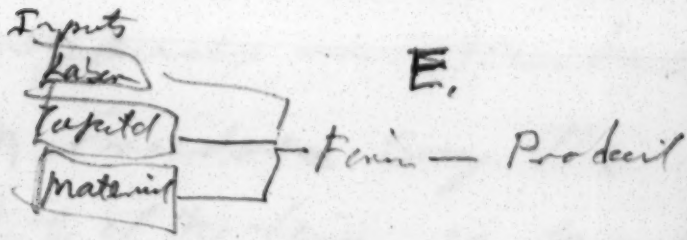
talk about growth
center strategies has the
the weakness of no success
stories — but should be
tried —

No argument about welfare
& health needs — but
our have to meet —

Richard Brown

~~See Without Paper~~

Naylor



Population growth rates relation — to each factor

High growth can mean ~~high~~ scarcity of capital & raw material —

Yiarsetu —

Trays between P.R. about let part. without doubt — & going back to firm and seeing slim residuals — then hear M. Friedman say the duty of the firm is to make a profit & then goes on with P.R. that way out flat — Idea of free unrestricted enterprise

the things that are really wrong in Society are things we have ~~looked~~ let loose ourselves —

we have measured growth by a bad instrument — GNP — no questions about how acquired empl. practices — pollution etc.

4/1/1968 -

Geo. Wash, Buffr., T.J. moved in on the Rev. — & made it a successful "Rev." (?)

Mfg. has moved toward outsourcing (knocking out) labor

But Services are different — productivity is hard to measure —

Major inflation comes here — if you can't measure then you can be ripped (e.g. health)

Is there a natural or a competitive relation between Mfgs, MD's, Lawyers, other Services —

Regulation of services not by those from the service —

Services give use some somewhat symbolic economy — easier to meet a service than a product —

But capital flow has been developed for products so easier to finance them —

New paperbit movement —
Bl. protest
Students [reaction against Ed. monopoly]
Cops to Wash.
Conservation

Dangers of intuitive response to soc. situations as against indirected relations
e.g. Spank a child — relation of love but try text response in a soc. situation

emotional weakness —
(e.g. public officials)

Integrity is a virtue
not because of morality
but because there isn't time
to fool around —

No "welfare crisis" —
depending ratio is
because of longevity
will even out in 1985 —
Problem is we have put
the burden on localities
Put on Nat'l income
make an an income
maintenance —

The "March" is a 4th
Branch of your —
you will do it in 70s,
too good to leave it to
the minorities.

8:50

Hauser

~~Tenty — Chief Fest Thoughts~~

Explosion

Explosion

Displosion

for remainder of century greater unrest, threat to peace, exp. or arms, —

Res Community would rather be erroneously informed about the future than correctly informed about the past —

Haven

Disposition —
Sharing same geog. locale
& same pol. & soc.
space

Assoc. with
rev. & rising expectations —
people insist on independence
egalitarian rights —

Quality of population —
not legacists of generation
ago —
optimum population
1) achieves zero growth —
2) will achieve zero growth —
question will it be by man
or by nature — and if by man
will it be natural or unnatural.

Hauser

a) Military has been remarkably inefficient

pop grew during WWII

b) Homosexuality —

c) Cannibalism —

Rotman

1) Conception Control

prevent conception

all methods

2) Birth Control — conception plus abortion

3) Population Control —

interrelation to

conception — Birth —

fertility — migration

family

Planning — helps replace abortion —

Hauser

"Always dangerous to make predictions — esp. for the future."

Bus. responsibility

a) Strong support to lowering explosion —

b) Support recent Cong. action re pop.

particularly support exp. programs —

c) Achieving nations have reduced rates — but so prompt yet that pop is reduced before achievement —

d) Gard on need for Pol. poor & other poor fa ed & income —

Hauser

Myths (or 1/2 truths

1) Pop. alone produces pollution

2) Technology produces pollution — it's thought that count — how used

3) Capitalist System — (Socialist System are produced for the same reason — Both are defined cost of production —

4) Role of Young, Black, Women

5)

State Legis. — revival —
& w th leg. after passing
have not kept up. w th
Urban voters & front rural
Fed. action —
We are doing 18th & 19th
Century imitations & Texas —

Attached Shibboleths:

1) Govt best that gov. least

2) Let buyer beware —
buy thalidomide until
3rd deformed child then
stop buying —

3) Taxes —
fine to have free enterprise
for individual need —
But what about collective
needs — Taxes & Pols. a substitute

Cont'd

must include labor —
must have info, ed,
service to the poor to
5M poor women —

1M employed —
avg. 37 yr —

Union role through
health plans — also
emphasized need for today
unions into account —

From HA

Human interest theme @
Start — but more
precise about what it
means

Check Civil Rts Com. man.

~~Agree~~
Focus on Fam Dev Ag

THE 99th HOUR

the population crisis in the United States

edited by DANIEL O. PRICE

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EASTERN

Carl Marshall
nee Van Adams

Hefner —

the costs of population growth

By Joseph J. Spengler, *Professor of Economics, Duke University*

"The entire human adventure — at least until now — is a desperate struggle against scarcity."

J. P. Sartre, *Critique de la raison dialectique*, 1960, p. 201.

"Far from scarcity disappearing, it will be the most dominant aspect of society."

Kenneth E. Boulding, in *Public Interest*, Fall, 1966, p. 43.

My concern is the set of costs which population growth imposes upon the individual members of a collectivity and upon the collectivity as a whole. By growth I shall mean both growth as such and increase in density. After examining the nature of costs as such, I shall put population costs in perspective and then examine them in somewhat more detail. This is not easy to do with precision because many of the costs associated with population growth are present even in a stationary population; numbers merely accentuate them. In the last part of my presentation I touch upon implications and solutions.

On the Nature of Costs

It is well to keep in mind what we mean by costs. In most general terms the cost of anything, of any good or course of action, is the opportunity, or set of opportunities, foregone in order to obtain that thing. If I choose *A*, I must forego *B*. If I eat my cake, I cannot have it also, though many politicians act as if I can. The cost of a given increment of population is that which must be given up in order to bring that increment into existence.

Costs may be variously divided for analytical or managerial purposes. For the purposes of my presentation, two distinctions are most useful, that between hidden and visible costs, and that between voluntarily and involuntarily assumed costs. The latter set I shall hereafter refer to merely as voluntary and involuntary costs.

Costs that are visible are those of which we are aware because we not only feel them but are conscious of the sources whence they issue. Costs which are hidden or lost in the murk of complexity are those which, though they affect our behavior, are not ostensible to us in their guise of costs. Illustrative are the hidden costs of augmented scarcity produced by supply-restricting tariffs, taxes, etc., by economically irrational efforts to free men of all the risks and uncertainties associated with driving cars or with developing and applying new drugs, and by forms of legislation which produce unintended adverse effects. Usually, of course, we can ferret out costs that are hidden to the ordinary economic eye and it is important that we do so, since one can respond more rationally to disclosed costs than to those which are not immediately visible.

I turn now to the distinction between voluntary and involuntary costs. By voluntary costs I mean the costs which one willingly incurs because the benefit resulting is considered at least equal to the costs entailed. If I choose *A*, I use certain of my assets in a particular way and thus deny myself the opportunity to use them in another way, say to acquire *B*. I act in this way, however, because I prefer *A* to *B* or to any other available alternative.

There is a certain amount of overlap, of course, between this distinction and that between visible and hidden costs. We are not always certain whether particular hidden costs would be voluntarily borne if they were known. In many instances they would not. For if we added the hidden costs of a course of action to its visible costs, the sum of these costs would often be great enough to make the action inadvisable.

I am here supposing, therefore, that I correctly estimate the costs of *A* and *B*, or at least that I believe I

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can do so. This supposition is likely to be valid when my choice of *A* over *B* is a single, complete act. Often, however, choice and costs are not so well defined. Often we embark upon courses of action that require months or years for completion. Then we incur a stream of costs over time, often of costs not completely foreseeable or sharply definable. If we choose to incur this stream of costs, we do so because we believe that the present value of the benefits that result exceed not only the present value of the stream of costs in prospect but also the present value of any other set of benefits we might realize from an alternative use of these cost items. We may, of course, be mistaken. We may overlook hidden costs or hidden benefits because we fail to study the cost-benefit relation carefully enough to uncover all the relevant aspects of an action.

It is essential to keep in view the stream-like character of costs. For the cost of population growth runs in terms of a stream. Adding an increment to a population entails costs over a period of 15-25 years.

The distinction between voluntary costs and involuntary costs has one important implication for students of population problems. Man can deal rationally with voluntary costs since he willingly incurs such costs only because he expects to experience or acquire offsetting benefits. This is not true of involuntary costs. We continually have costs imposed on us by others in exchange for which we receive little or no benefit. For example, a considerable portion of the cost of government imposed upon the taxpayer confers little or no benefit upon him; thus a young worker, upon whom the whole of the present social security tax is incident, must pay more for the supposed equivalent of a retirement annuity than a private insurance company would charge him. Similarly, a large amount of the cost which crowding and congestion impose upon individuals is uncompensated.

In a rational society *all* costs would be voluntary and it would be impossible for anyone to shift to others any of the costs entailed by his own actions. Decisions would always be made in the light of a comparison of *all* costs and *all* benefits. Unfortunately, we do not live in such a society; costs of actions often are partly incident upon those who do not benefit by the actions in question. This has long been recognized.[1] It is not adequately recognized, however, that today's actions respecting issues with long time dimensions (e.g., city plans) can entrap man's future, imprison him in a set of costs not of his own making, and force him to use inputs to escape this trap instead of to improve his conditions of life. In present-day parlance, today's careless, future-disregarding action shrinks tomorrow's range of options. Today's excessive fertility is a case in point.

Costs of Population Growth

The costs associated with population growth, especially those associated with net population growth, may be divided into primary and secondary. Under the head of primary costs may be included all inputs in the form of pre- and post-natal care of mother and child and subsequent medical care of the growing child, all inputs devoted to the support and education of the child until it becomes self-supporting, and all public, household, and industrial capital required on an average to equip a unit addition to a population. These costs consist essentially of the capital or potential capital incorporated into additions to the population or used to equip these additions, together with some expenses associated with the production of additions to disembodied science and culture and their eventual use. It should be noted that we are referring to the costs of population growth only, not to the cost of replacing a given population and of improving its quality and equipment in the process.

Under the head of secondary costs I include the effects of changes in age composition, urban concentration and pressure on environment, and differential fertility. When a population is growing, its age composition is less favorable to productivity than when it is stationary; the relative number of persons of productive age is lower and that of persons of unproductive age — old and young dependents — is higher. For example, if a population is growing two per cent each year, it will include only about 85 per cent as many persons of productive age as it would if it were growing one-half of one per cent or less. Accordingly, its potential productivity per head under similar conditions will be only about 85 per cent as high as in a population stationary or nearly so.

Another secondary cost is that associated with the pressure of population upon its natural environment. We may say, in general, that as accessible natural environment per person declines, the stock of reproducible capital per person must be increased to offset this decline and maintain the level of productivity or living. Illustrative is the increase in the costliness of exploiting mineral reserves as the accessibility of oil or ore diminishes, or of carrying on agriculture as cultivation is extended to inferior land. We tend to lose sight of the costs of extending exploitation and cultivation because we live in an age when technical improvements have swamped the Ricardian type of diminishing returns occasionally evident, for example, in the Middle Ages and in the Napoleonic period when Malthus's ideas had wide currency.

While we in the United States may not be aware of the pressures to which Ricardo gave his name, we have become very aware of another of the impacts of diminution in surface and near-surface space per capita, namely, that incident in larger urban centers. For, as population grows, an increasing fraction of the population has been locating not merely in urban centers but particularly in megalopolitan centers. In 1960, about twenty-eight per cent of our population were situated

in less than one-fourth of one per cent of our vast space. Space substitutes have been sought above as well as below the urban surface, but to little avail and at great cost.

A city may be viewed as the focal point of conduits whose function it is to carry people, products, messages, refuse, contaminants, etc., into and out of the environs of the city. Each conduit is of limited capacity. Moreover, the number of conduits which can be constructed is limited by lack of space and other constraints. Meanwhile, as a city's population increases, its requirement of conduit service increases, faster in fact than the city's population. In consequence, congestion of surface and air traffic channels increases, together with the rate of pollution of water and atmosphere. A large city may therefore be said to manifest Ricardian diminishing returns, though in urban as distinguished from agricultural space.

What may be called social diminishing returns often manifests itself within the familial environment. We may indeed call this a form of population pressure at the micro-level. Usually essential to the effective rearing of children, though by no means a guarantee of such rearing, is adequacy of parental time, means, and skill. When the number of children in a family exceeds that family's supply of time, means, and skill, the probability increases that one or more of these children will fail to develop a capacity for self-support in keeping with the requirements of life in modern society. Somewhat suggestive is D. P. Moynihan's finding that the rate of failure on selective service tests was over four times as high among selectees from families of six or more children as among those from smaller families.[2]

The type of population pressure that results may be accentuated also by increase in the number of genetically defective persons. For, as Dubos points out, "medical advance will modify the hereditary structure of prosperous populations by permitting the survival of persons with genetic defects who in the past had little chance of reproducing their kind."[3] Contraceptive action may, of course, serve to prevent this outcome.

Augmentation of the relative number of non-self-supporting persons in a society constitutes a threat to its social metabolism and its political stability. A. Toynbee recognized this when he pointed to the destruction of societies by their inner proleteriats.[4] Marx recognized this when he declared the principle of the Gotha program — from each according to his ability, to each according to his needs — to be realizable only in the far distant future. It is not recognized, of course, by modern literati hostile to our civilization,[5] or by those who depreciate the importance of the nexus between performance and reward. It is recognized by demographers, however, when they stress the importance of a population's qualitative composition.

Detailed Analysis of Costs

I turn now to a more detailed analysis of the costs of population growth, to its cost in terms of capital, environment, density, psychic well-being, and contribution to internal and international war. Most of these costs have a number of causes, however, of which population growth is only one, and often an indirect one at that.

(1) *Capital Cost.* Capital, as I have said, cannot be viewed in the narrow hardware sense prevalent for more than a century — at least not for the purposes of this analysis. We need to view "'capital' as including anything that yields a stream of income over time, and income as the product of capital." Capital then includes all inputs invested today in order to yield income tomorrow — inputs invested in equipment, construction, science, invention, and innovation, in productive education and health, in discipline and skill, in training and retraining, in the accumulation and conversion of scientific knowledge into applied knowledge, indeed, in everything embodied and disembodied that is tomorrow-facing. When we view capital this way, we may conceive of economic growth "as a process of accumulating capital in all [its] manifold forms," and we may correctly say that increase in potential productivity per capita as of income per capita is the result of increase in capital per head.[6]

Population growth is reducible to a conversion process even as is population replacement. Capital as we have defined it is transformed into population. A stream of capital is continually being converted into a stream of people; today's environment and activities become tomorrow's people. The major fraction of these people constitutes a mere replacement of those who have died; for example, given a stable population with an annual birth rate of 16 and an annual death rate of 13, 13/16 of the births represent population replacement while 3/16 represent an addition to the population, an addition amounting to three-tenths of one per cent of the population at the beginning of the year in question. It is the addition with which I am concerned here, though I believe that if the addition were negative for many years in much of continental Asia and parts of the Caribbean world, the people of these countries would benefit remarkably.

Since today's population increment represents yesterday's collection of capital inputs, it is evident that a choice was made yesterday, namely, to convert capital into additional population instead of into the improvement of the lot of the existing population and its replacements. Population growth is purchased at the expense of the improvement of the existing population. What is the purchase price?

It is not easy, it is impossible, to give a precise answer to this question, particularly an answer that fits many countries. In a particular country we can estimate how

much it costs to fit out a cross sectional thousand of people with physical equipment, education, etc. Suppose this figure comes to $15,000-25,000 a head. Then we can say that it costs between thirty and fifty billion dollars a year to add two million adults to a population. I choose a two million figure because we in the United States have been adding over two million persons a year to our population, over 47 million since January, 1950, of which nearly nine-tenths represent excess of births over deaths. We may proceed another way. We may suppose that it takes inputs worth 4 per cent of a nation's national income to provide material equipment for additions to a population growing one per cent per year, and to this we may add 2 more per cent to cover other forms of capital and allow for the adverse effect of population growth upon a country's age composition. Then it would cost a nation savings equal to 6 per cent of its national income if its population grew one per cent a year, and about 12 per cent if it grew two per cent per year. This mode of estimating suggests that it now costs the American population about $36 billion per year to grow 1.5 per cent.

It is well to keep in mind that the money cost of children rises more or less commensurately with family income. For as a family's economic condition improves it spends more upon its children than it formerly did. It finds itself trapped in a culture complex that continually presses the average propensity to consume in most families toward unity, given that institutionalized provision has been made for the support of parents in their years of retirement. Accordingly, whatever the current cost of, say, a natural growth rate of 1.5 per cent in the United States, it will rise as average income rises and the amount of inputs required to produce and equip a person increases. It may be argued that the American economy can stand this cost, though one is hard pressed to find any justification for doing so on aesthetic, eudaemonic, and similar grounds, or on those advanced by population boosters, speculators, and so on.

The countries constituting the underdeveloped world, many of them hardly viable and poverty-ridden states at best, cannot stand the cost of the population growth which they are now undergoing. The population of the underdeveloped regions is likely to grow about 2¼ per cent per year in 1960-2000, at the end of which period it may still be increasing close to 2 per cent per year.[7] These figures suggest that for a long time to come population growth will be absorbing 10-12 or more per cent of the income generated in the underdeveloped world. This percentage may vary, of course, from a relatively low level of 6-8 per cent in mainland China to a level close to 18 per cent in Africa and parts of Latin America. Let us translate these figures into terms of the rate of growth of average income. If a nation's population growth is absorbing 12 per cent of its national income and the rate of return on its new investment at the margin is 15 per cent, then it follows that were this nation's population not growing and were the resulting saving invested, the rate of growth of its per capita income could rise as much as 1.8 (i.e., .12 x .15 = 1.8) percentage points. Thus if its average income had been rising 1.5 per cent, it could now rise 3.3 per cent per year.

I am neglecting effects of the allocation of savings. For example, when population is growing rapidly relatively large amounts of savings tend to flow into housing and other investments in which the yield on capital, especially in the shorter run, is relatively low. Inquiry into the complexities of allocation will be ignored, however, since it would divert attention unduly from my main arguments.

Raising the rate of growth of average income in an underdeveloped country from (say) 1.5 to 3.3 per cent constitutes an important contribution to a nation's economic growth and political stability. If a country's average income grows only 1.5 per cent per year, it will double only once every 47 years, but given a 3.3 per cent rate of increase, average income will double in about 21 years. Given a relatively short doubling period, a nation's prospect of improvement is likely to make for political stability whereas given long doubling periods, cumulating frustrations are likely to generate political instability and thereby further lengthen the doubling period. It is well to recall that if average income is 10 times as high in an advanced as in an underdeveloped country, then even though this average grows three times as fast in the underdeveloped as in the advanced country, after a century has passed the underdeveloped country's average will still be only about six-tenths as high as that in the advanced country. It is very hard for laggard countries to narrow the absolute gap between their incomes and those of advanced countries. It is impossible for them to do so if they fail to restrict their population growth rigorously. The economic advantage attendant upon fertility reduction has been nicely demonstrated by A. J. Coale and E. M. Hoover, who found that if India curtailed her fertility, even her *total* income would rise faster than if she failed to do so.[8]

(2) *Environmental Cost.* Components of man's physical environment, when actually or potentially serviceable to man, answer to the description either of productive or of consumptive capital, though much more subject to depletion and exhaustion than man-made capital. Some of man's environment affects his welfare through market channels, and some of it through non-market channels. There is little I can do, however, except identify cost aspects and relate them to population growth.

(a) Man's physical environment embodies stocks of non-replaceable elements, among them appropriately situated space suitable for man's specific spatial needs. It is these which set limits to man's capacity to maintain an expanding standard of life, though these limits

are not always felt in the short run when relative abundance rules. For example, agriculture can be made much more productive than it is, especially in underdeveloped lands, and modern alchemy is capable of triumphing over many forms of natural-resource shortage, especially if the fusion process can be made to meet man's energy requirements. But, continuing with our agricultural example, suppose that in the underdeveloped world population grows 2 per cent per year while per capita food consumption grows one per cent per year — a tenable rate, given an income elasticity of demand for food of 0.5 and an annual increase of 2 per cent in per capita income. This combination produces a 3 per cent per year increase in demand. Then by the year 2050 the demand of this population for food would be about 14 times what it was in 1960, and by the year 2100, about 63 times. It is doubtful if even alchemists can supply this much food, and certainly not food of the sort a Brillat-Savarin would savor.

Correspondingly great demands would be made upon many other components of our physical environment. Many could be met, but not all, and costs would tend to rise except as technological progress offset Ricardian diminishing returns. In general, increase in the pressure of population upon man's physical environment generates problems whose solution absorbs inputs that otherwise might serve different purposes. Hence, to argue that problems created by population pressure are unimportant since they can be solved amounts to arguing that medicating disease is equivalent to preventing it by immunization.

(b) Destruction, uglification, and pollution of man's physical and ecological environment may not be entirely avoidable in a stationary population under the most favorable circumstances. These processes are accelerated, however, by growth of both population and gross consumption, by-products of which are waste, ash, and contaminants, now aggregating 4 to 5 pounds of solids per person per day, together with airborne and water-borne waste. Airborne wastes bring about deterioration of urban environments while waterborne wastes pollute the soil and generate obstructive algae and water plants. Both types of pollutants foster the growth of some forms of organic life whilst checking that of others. Even climates may be exposed to change, through the introduction of excessive amounts of carbon dioxide into the atmosphere.[9] Stewart Udall has described the outcome in terms reminiscent of John Stuart Mill's observations 117 years ago. Udall writes,

> We live in a land of vanishing beauty, of increasing ugliness, of shrinking open space, and of an over-all environment that is diminished daily by pollution, noise and blight.[10]

Much of this can be averted, but with increasing difficulty as numbers become great, concentrated, and subject to rapid growth.

(3) *Density and Concentration.* Some costs are associated with population density which increases generally as numbers grow and specifically as the growth process, when stochastic in character, concentrates an increasingly large fraction of the urban population in very large cities. The resulting costs are indirect, often hidden, and seldom voluntary. Most are associated with metropolitan and megalopolitan growth, of which aggregate population growth is a necessary though not a sufficient condition.

It may be useful to distinguish objective from subjective population density. By objective density D I mean mere numbers divided by something like area: call it P/A where A denotes area and P denotes population. There is much difference, however, between the significance of a unit of P in (say) the United States and that found in a traditional or a low-income society. The space daily traversed on an average in the United States is much greater just as the space traversed daily by a lion or an elephant is much greater than that traversed by a turtle. In other words, modern high-income man is a space-eater compared with his counterparts in low-income lands; and he is exposed to more varied and frequent communicative contact with his fellows. Moreover, his average demand upon surface and air space is increasing. High-income man therefore is much more sensitive to a given objective density than is low-income man. Let S denote subjective density, or Ds, when s denotes the average amount of space traversed by a unit of P, the value of which rises with modernization from a hypothetical value of unity in selected low-income societies. S reflects man's sensitivity to objective density D; it increases as s rises with modernization, even though P changes little or not at all. Our knowledge of the significance in cost terms of a rising S is limited as yet, though we have learned a great deal about the response of both fish and land animals to increase in their objective density, especially when it passes some critical level.

(4) *Individual Freedom.* As population increases in number and density, contacts among individuals multiply, within limits, much faster than population increases. One result is increasing demand for collectivistic controls over the lives of individuals. These demands reenforce other demands for collectivistic controls, many prompted by gross ignorance or dislike of market mechanisms and their analogues in all contexts in which market mechanisms are not employed. The eventual upshot of all this will be increasing separation of ruled from ruler and the emergence of garrison states run by bureaucracies only partially controlled by the collections of cliques who win temporary control of the apparatus of state. Population growth accentuates this

tendency and the resulting dissipation of man's individual liberties.[11]

(5) *International Relations.* Population growth may affect international relations in three ways. (i) It can worsen a country's terms of trade if it unduly augments its outflow of exports. (ii) It can, under certain circumstances, intensify the totality of conditions making for war.[12] (iii) Of much greater importance in today's underdeveloped world, however, is the tendency of population growth to generate frustrations and produce social unrest. As Ulla Olin observes,

> The road to economic development appears fraught with potentials for unrest. . . . The risk of social unrest rather than the increase in numbers as such would nevertheless appear to be the truly "explosive" aspect of economic development. Population growth seriously aggravates the risk of unrest by increasing the crowding and competition for scarce resources but it is not directly responsible for the situation.

Underdeveloped countries lack external outlets for excess population, unlike nineteenth-century Europe when its rate of population growth was much lower and it was developing economically. Those wishing to move out of the rural sector must therefore migrate to cities where they find getting employment difficult, income insecure, and exposure to seeming injustice marked.[13] All these difficulties are accentuated by the incapacity of a low-income high-fertility society to form domestic capital at a high rate, to obtain access to the corresponding amounts of foreign exchange so essential to economic development, and to make efficient use of this capital and exchange.

In my discussion so far I have devoted no attention to the advantages of having larger populations. That is not my assignment. There do exist, however, a number of countries which require larger populations for the most efficient exploitation of their resources and economies of scale, especially in a world in which international trade is unduly restricted and regionalism and federal arrangements are not flourishing. Where these conditions exist and larger populations are indicated, it is best that they be produced with rates of natural increase of one per cent per year or less, together with immigration of individuals with skills in short supply. It is also argued that when an underdeveloped country's population is growing rapidly not only is technical progress favored, but also the composition of both its capital structure and its population can change more rapidly and thereby accelerate modernization. This type of argument is of doubtful validity, however, because population growth absorbs so much capital that a nation's capacity to change the quality of its capital and labor force is restricted.

(6) *Qualitative Costs.* I indicated earlier that dysgenic selection could be fostered by reduction of child mortality and that adverse social selection tends to be accentuated by excessive family size. The social context within which a society has to deal with adverse selection changes as a society becomes more dynamic. The conventional wisdom of parents suffices to fit their children for life in a relatively static, traditional society. Parents are less adapted, however, to performing this task in a highly dynamic society, both because they lack knowledge and skill and because the plasticity of the human nervous system in early life makes youthful training essential. Whence Morison concludes that the family is "relatively poor at assimilating and transmitting knowledge essential to survival in a rapidly moving world."[14] In a dynamic society, therefore, agencies external to the family must take over much of the training and knowledge-transmitting role formerly carried on within the family.[15] This can be done most effectively when the rate of population growth is low and the potential rate of capital-formation is high. When this is the case, moreover, the scope for social mobility and hence for the beneficial effects of assortative mating is enlarged.[16] Social conditions are also more likely to be favorable to negative eugenic action.

While a slowing down of population growth increases a nation's average productive potential, it does make for increase in the relative number of those aged 65 or more years, raising it to 9-10 per cent under prospective conditions though a successful "Back to Methuselah" program could raise it to 15-20 per cent. Should man progress through life as Holmes's one-horse shay, there would be no problem. But he does not do so. Chronic conditions dog most persons over 65, many of whom enjoy little more than what Dubos calls "medicated survival,"[17] and they tend to be prematurely shunted out of employment so essential to the mental health of most. Hence society faces a problem which, however, can be met easily when a population is nearly stationary and productivity is high. Let us call the demands which social and physical life makes upon man D, and his physical and mental capacity to meet these demands C. Normally the ratio C/D will rise above unity in early youth to a peak much above unity in man's prime, often remaining near there in his sixties only to approach unity and finally sink below it in or after his seventies. Social death may be said to take place when C/D descends to a critical level below unity whereas physical death occurs only when C becomes zero. The problem is how to maintain C/D close to or above unity until near the advent of physiological death — how to make man emulate the one-horse shay.

Implications and Conclusion

I have pointed to the costs of population growth and stressed the importance of capital formation, in part because capital formation is conducive to moderniza-

tion, so essential to the decline of fertility.[18] Man responds most rationally to costs when he recognizes them, perceives their mode of incidence, and is made wholly responsible for those which he himself occasions. In modern societies, particularly in those dominated by a welfare-state apparatus far beyond that which De Tocqueville, Lord Bryce, and others feared, the costs of population growth are only imperfectly recognized, their incidence is imperfectly understood, and those who occasion these costs are largely free of the responsibility to bear them. In other words, some of the costs of population growth are hidden, their incidence is blurred, and many of them are borne involuntarily by persons who are not responsible for them but remain unable, as do the victims of tariffs, to evade them or force the governing coalition to remove them. The problem of costing is further complicated by the increasing inability of the familial reproductive unit to perform the tasks associated with rearing, training, and educating children in a dynamic society, since under these circumstances the state takes over an increasing share of the cost of performing these functions.[19]

It is much more difficult, of course, to regulate fertility in an underdeveloped country. There, knowledge of contraception and access to its means are far more imperfect than in modern countries. Hence the capacity to control fertility is limited. The incentive to do so is also limited, by conditions of the sort I have mentioned, together with the fact that children are believed to possess utility on social-security and other grounds no longer very operative in advanced countries. Whence high fertility checks capital formation and slightness of capital formation checks modernization, one of the most important preconditions to a decline in fertility.

There are few persisting incentives which are noneconomic in character. It is possible, therefore, in underdeveloped as in advanced countries, to develop a combination of economic negative incentives for those who produce more than a given number of children and a set of economic rewards for those who manifest due prudence. Given such combination, fertility can be brought down to, or up to, the desired level and the costs of population growth can be kept under control. It is important to keep in mind, however, that while science has helped man cope with growth of numbers up to now, science cannot be counted upon to offset this growth if it persists.

Footnotes

1. E.g., see A. C. Pigou, *Economics of Welfare* (London, 1932); A. Lerner, *Economics of Control* (New York, 1944); M. A. Copeland, "Communities of Economic Interest and the Price System," in R. G. Tugwell, ed., *The Trend of Economics* (New York, 1924), pp. 105-150.

2. "Who Gets in the Army?" *New Republic* (Nov. 5, 1966), p. 21.

3. René Dubos, *Man Adapting* (New Haven, 1965), p. 248.

4. *A Study of History*, V (New York, 1939), pp. 58-337 on internal and external proleteriats.

5. E.g., see Lionel Trilling, *Beyond Culture* (New York, 1965), p. 3.

6. I follow Harry Johnson's conception of "capital." See his *The Canadian Quandary* (Toronto, 1963), p. 230.

7. United Nations, *World Population Prospects* (New York, 1966), pp. 133-39.

8. *Population Growth and Economic Development in Low-Income Countries* (Princeton, 1958), p. 273.

9. See *Restoring the Quality of Our Environment*, Report of the Environmental Pollution Panel, President's Science Advisory Committee (Washington, 1965), pp. 3-12, 112-30. See also Dubos, *op. cit.*, chap. 8.

10. *The Quiet Crisis* (New York, 1963), p. viii; also Dubos, *op. cit.*, pp. 312-18, 361-68, also 278-79.

11. I discussed some of these matters in my "Population and Freedom," *Population Review*, VI (July, 1962), pp. 74-82.

12. E.g., see F. H. Hankins, "Pressure of Population As A Cause of War," *Annals of the American Academy of Political and Social Science*, CXCVIII (July, 1938), pp. 101-108; Quincy Wright, ed., *A Study of War*, II (Chicago, 1942), chap. 31; Katherine and A. F. K. Organski, *Population and World Power* (New York, 1961), esp. chap. 8.

13. "Social Unrest, Population Growth and Economic Development . . .," *Social Research*, XXXIII(1), pp. 80-96. See also Mancur Olson, Jr., "Rapid Economic Growth, A Destabilizing Force," *Journal of Economic History*, XXIII(4) (Dec., 1963), pp. 529-52.

14. R. S. Morison, "Where Is Biology Taking Us?" *Science*, CLV (Jan. 27, 1967), pp. 429-33, esp. 430.

15. *Ibid.*

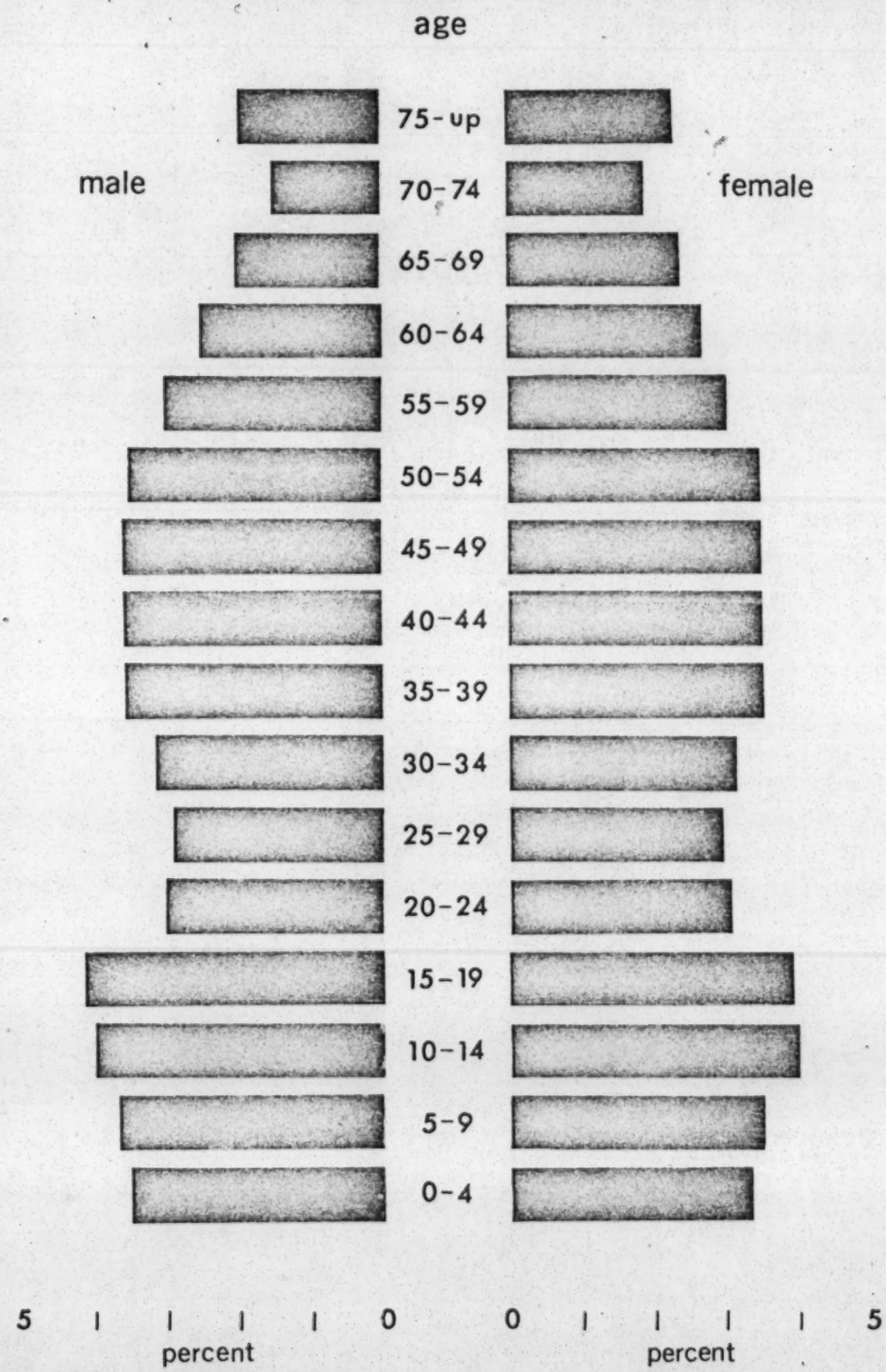
16. T. Dobzhansky, "Changing Man," *Science*, CLV (Jan. 27, 1967), pp. 409-14.

17. *Op. cit.*, p. 231.

18. See United Nations, *Population Bulletin*, No. 7 (New York, 1965), chap. 9.

19. See Morison's discussion, *loc. cit.*

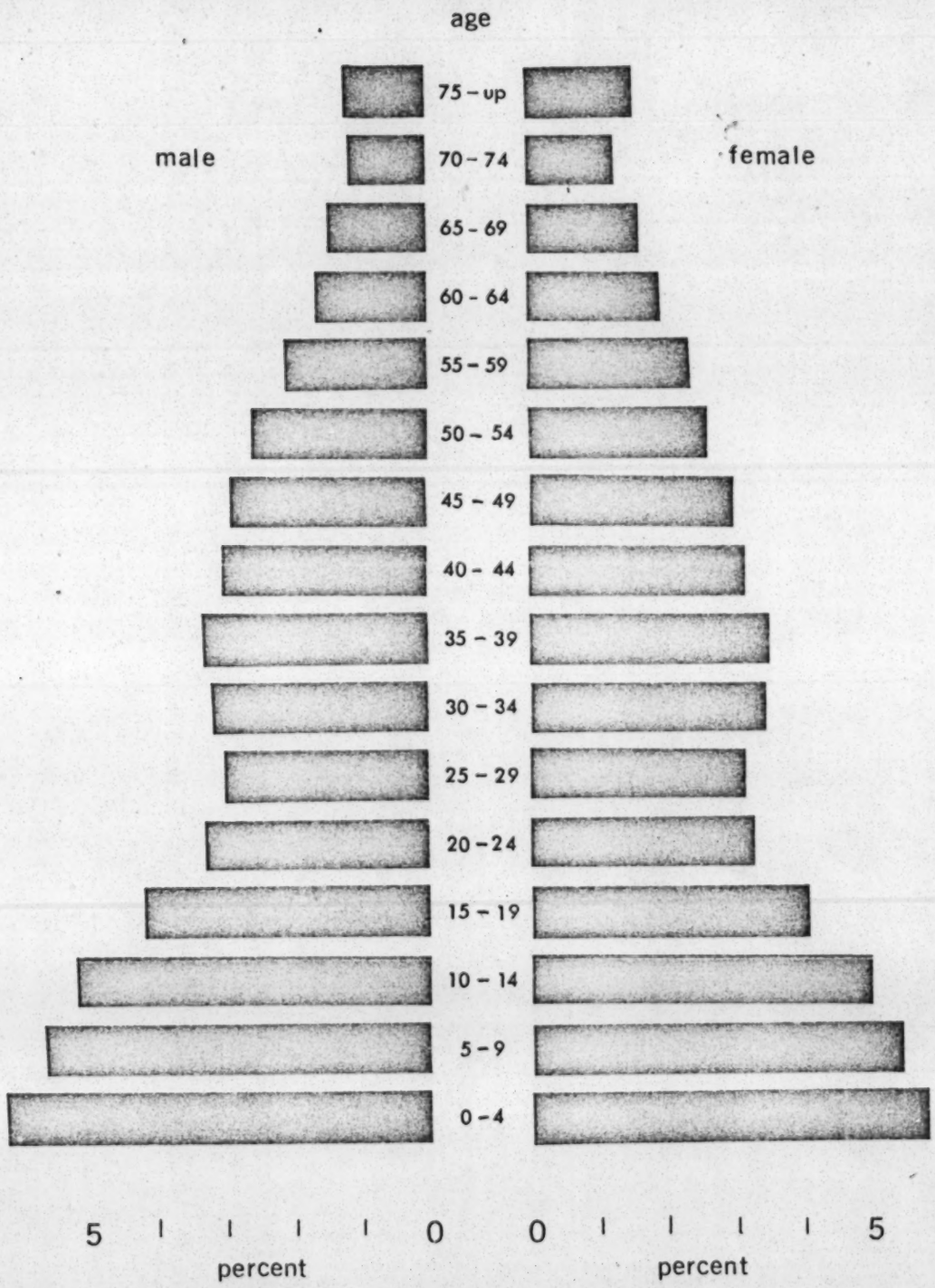
SWEDEN
1960



Source: Demographic Yearbook

Carolina Population Center

UNITED STATES SOUTH
1960



Source: U.S. Census Bureau

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PERU
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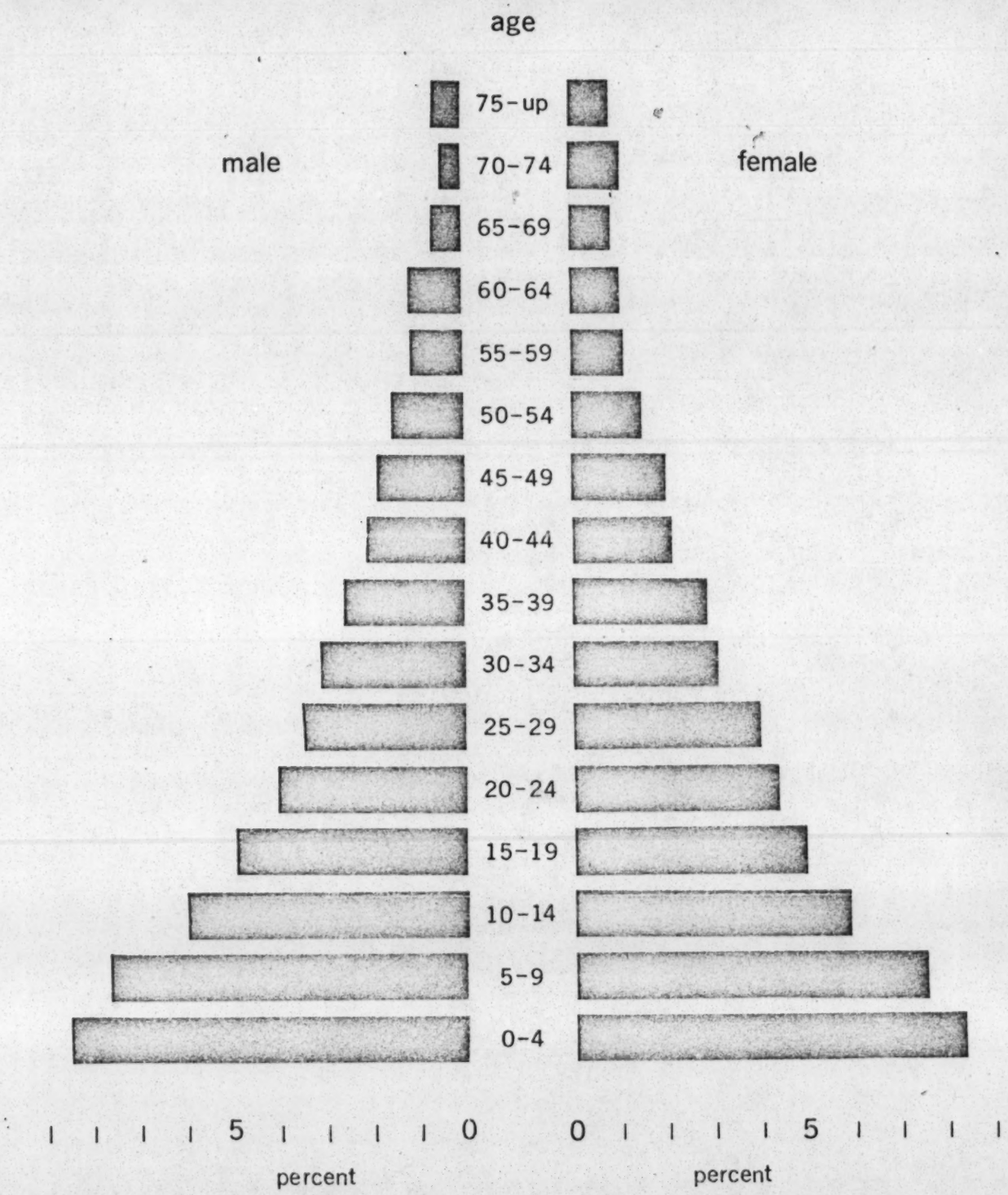

Source: Demographic Yearbook

Carolina Population Center

Return and Nonreturn In-Migration

EDWARD MILLER

MIGRATION can be studied from several viewpoints. If the primary emphasis is on the change in total population for a given area, it may be enough to examine only net migration. However, much of the migration mechanism can be examined only by considering in- and out-migration separately. This article will deal only with gross in-migration.[1]

The approach used is to regress the appropriate state migration rates for the period 1955-60 on the economic variables which may play a role in determining in-migration, including income levels, rates of employment growth, unemployment rates, educational levels, nature of employment available, and birth rates. While these variables have been investigated in the context of net migration, or gross migration between pairs of places, very little attention has been paid to their effect on in-migration. To examine whether their influence extends beyond the decision to leave to the choice of destination is the goal of this article. To the list of usual variables is added the logarithm of population to eliminate any bias from the more populous states which are also the big-city states.

This article will show that it is necessary to study return and nonreturn in-migration separately. Otherwise a systematic correlation of the number of potential return migrants with measures of attractiveness will lead to the underestimation of the role of such variables. To avoid this, one must express the migration of those returning home as a proportion of the population *at risk* (i.e., the number of persons born in the state and now residing elsewhere) rather than as a ratio to the population in the area of destination. In general, the more out-migration there has been, the greater the potential for return migration.

This has implications for the process of regional development since the more depressed the economy of an area has been, the more likely it is to have built up a pool of former residents who may return home as conditions improve. Thus, the unemployment-reducing, or wage-increasing, effects of employment expansion are attenuated in depressed areas which have had a long history of out-migration.

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Return Migration

EARLIER work on return migration has been limited to demonstrating its importance, using it to explain peculiarities in the age distribution of net migration, or studying special groups.[2] This article will briefly show the importance of return migration in total in-migration for certain states, and then go on to discuss the economic determinants of these flows. Once this has been done, it will be clear why return migration and nonreturn in-migration must be studied separately.

Nationwide, the 2,291,746 return migrants in 1955-60, while a large number of people, were only 14.6 percent of total migration across state boundaries. However, return migration was much more important for some states. For instance, 44 percent of the migrants into West Virginia were return migrants. Comparable figures for other states are 38.2 percent for Arkansas, 36.8 percent for Mississippi, and 35.2 percent for Kentucky.[3] Thus, certain of the less prosperous states derive a significant fraction of their in-migration from the return of those who had once left. The true effect of economic conditions on in-migration to the less prosperous states is concealed by the inclusion of these return migrants in the total in-migration.

The primary reason for examining return migration is to understand better the determinants of total in-migration, and hence of population growth. Moreover, return migration is important to the study of migration because return migrants are usually acting on much better information than nonreturn migrants. Much of migration theory assumes the potential migrant has sufficient information to make a rational comparison of two areas, and considerable interest is attached to an examination of behavior under these conditions. However, the migration of a person moving to an area he has not lived in before can be based on only the most imperfect knowledge. The potential migrant is usually very uncertain about what life will be like in the new area. He is worried about whether he will like the climate, the life-style, and the people. Such uncertainty may act as a

powerful deterrent to mobility. This creates major research problems. Failure to respond to an incentive for migration may be because the potential migrant does not value the advantages of the destination, or is unaware of them, or is merely afraid of taking the risk of finding out.

In contrast, except for those who left home at an early age, potential return migrants have a good, first-hand knowledge of the area to which they would be returning. In most cases they will have friends or relatives who can give them up-to-date information about the area. Thus, a decision to become a return migrant can be based on a rational and informed comparison of two areas. In particular, since the person has lived in the area to which he is returning, fear of the unknown is unlikely to prove a major deterrent to mobility.

Perverse Tendencies

At first glance the patterns of return migration do not appear to correspond to the economist's model of rational behavior. When the return migration rate (number of return migrants divided by the 1960 population aged 5 and over) is regressed on variables that one would normally expect to be positively correlated with it, a negative correlation is observed (see Table 1).[4] This contradiction is found with each of the following variables: managers, officials, and proprietors; professionals; urban residents; those who have attended college; and those living in state of birth. There is even a highly significant (t = 7.28) inverse correlation with family income, which alone explains 53 percent of the variance. Are we then to believe that potential return migrants prefer areas with low income and other undesirable characteristics?

Because of these perversities, it is not surprising that return migration turns out to be inversely correlated with the total in-migration of which it is a part. This is a clear sign that return migration differs in some important way from all other in-migration (nonreturn migration), and should be considered separately.

The key to explaining these results is the wide variation in the number of natives of a state living in other states. The percentage of those born in a state but living elsewhere in 1960 varied from 58.8 percent for the District of Columbia, 50.5 percent for Wyoming, and 49.9 percent for Arkansas to 11.9 percent for California.[5] It is to be expected that states with a large number of natives residing outside their borders would have more return migrants than states with few such ex-residents. As a measure of the population at risk, the ratio of those born in a particular state but now living outside of it to the state's population was calculated. This variable was found to be significant in explaining the return migration rate (t = 8.96) and able to explain 63 percent of the variance when used alone.[6]

TABLE 1. PERCENT OF VARIANCE EXPLAINED BY MIGRATION RATES ON SINGLE INDEPENDENT VARIABLES

	Nonreturn Migration	Return Migration	Back Migration[a]
Unemployment rate, April 1960	.13	.18	.....
Median family income	8.28*	52.98**[b]	6.65
Percent managers, officials, and proprietors	43.53**	.08[b]	12.72*
Percent professionals	16.45*	25.76**[b]	10.97*
Percent 25 and over with one or more years of college	37.20**	5.77[b]	5.48
Percent of population enrolled in college	.....	.15	.03
Percent of population urban	6.76	41.99**[b]	13.84*
Males in armed forces as percent of employed males	21.60**	1.23	1.64
Percent who worked 50-52 weeks	.....	....	4.34
Percent living in state of birth	.....	8.95*[b]	7.60
In-migration rate	.....	2.84[b]	.....
Industrial mix component of industrial growth[c]	4.23	....	11.56*
Percent rural-farm	9.11*	34.47**	18.22*[b]
Out-migration rate	29.94**	....	.....
Logarithm of population	.....	9.24*	.....
Percent salaried managers and officials	31.69*	15.81**[b]	14.57*
Engineers as percent of male labor force	6.32	29.35**[b]	.....
Percent of those born in a state living out of the state	5.61[b]	63.09**	.....

* Significant at .05 level.
**Significant at .01 level.

[a]Back migration is the fraction of those living outside their state of birth who returned to their state of birth during 1955-60.
[b]Inverse correlation.
[c]Surrogate for presence of rapidly growing industries.

This variable explains why the coefficients for other variables had what appeared to be the wrong signs. There is a high degree of stability in out-migration rates, and the conditions which are now discouraging in migration (low incomes, etc.) have caused out-migration for many years. As a result, the very states that have built up a large reservoir of potential return migrants are also the states with the weakest attraction for migrants who were not born there.

The observation that return migration is generally negatively correlated with the variables that influence non-return migration (and hence total in-migration) has strong implications for research into the causes of migration. The effect of the inclusion of return migration in total in-migration is to reduce the level and significance of the coefficients for most causal factors. The solution for this problem is to divide migrants into return and nonreturn migrants and to discuss these groups separately, as is done here.

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Back Migration

It was shown above that the most important determinant of return migration rates is the number of people born in the state but currently residing elsewhere. This is the population exposed to the risk of return migration. The ratio of the number of return migrants to the number living out of their state of birth in 1960 will be referred to as the back-migration rate to distinguish it from the return migration rate (defined earlier as the ratio of the number of return migrants to the 1960 population aged 5 and over).

In general, the back-migration rates showed positive correlations with the same variables as nonreturn migration rates. This, as indicated by Table 1, is in contrast to the return migration rates which tended to be negatively correlated with these variables.

In particular, the negative correlation with the percent rural-farm lends no support to the idea that those from farm backgrounds are especially likely to become return migrants. Likewise, although the negative correlation of return migration with income, education, and percent professional might suggest that return migrants tend to be the less skilled and the less educated, the positive correlation of these variables with back-migration rates does not indicate any tendency for the less-educated inhabitants to return home oftener than out-migrants from other areas. The large historical out-migration from such areas explains the large numbers of return migrants.

The logarithm of population was used to control for the differing sizes of states. Its coefficient here is expected to be positive because the larger the state, the more likely an individual is to return to the state in subsequent moves. For instance, a Californian who moves to Nevada is more likely to find that his next move is back to California than a Nevadan in California is to find his next home back in Nevada.

After controlling for population size, it was found that there was a positive relationship between the back-migration rates and the nonreturn migration rates (in contrast to the negative correlation between return and nonreturn migration), as indicated by the following equation.

$$\text{BMIG} = -15.123 + \underset{(.240)}{1.286\text{LOGP}} + \underset{(.0428)}{.1666\text{NMIG}}$$

$$R^2 = .4067$$

The numbers in parentheses are standard errors; see the Appendix for definitions.

This equation indicates that the number of back-migrants responds in the short run to the same forces that affect the number of nonreturn migrants even though over the long run these forces will also reduce out-migration and the size of the pool of potential migrants from which return migrants are drawn.

A more powerful explanatory equation was

$$\text{BMIG} = -8.785 + \underset{(.1972)}{.8881\text{LOGP}} + \underset{(.01333)}{.06954\text{OBEG}}$$

$$R^2 = .5044$$

This indicates that (aside from size of state) the most powerful determinant of back-migration rates is the rate of growth of employment.

Although family income is positively correlated with back migration, this correlation is not statistically significant at the 5 percent level ($t = 1.828$), nor is it statistically significant when included with the rate of growth in employment. Thus, it appears that people are induced to return home more by the availability of jobs in a rapidly expanding economy than by a high level of earnings. However, the unemployment rate proved not significant.

The effect of return migration is to make the short-term response of in-migration to improved economic conditions greater than the long-term. The short-term response is increased in-migration both by those who were born out of the state and by those who were born in the state. However, if economic conditions remain good, the effect is also to reduce out-migration. Both this and the increased return migration reduce the pool of ex-residents who might move back. The result is that after the passage of many years the in-migration rate must decline. When estimated in a cross-sectional model, gross in-migration rates are these long-term rates, the rates that exist after the pool of ex-residents has reached its equilibrium size. The rates will be less than would exist in the initial period after a rapid improvement in economic conditions.

Nonreturn In-Migration

THE above has shown that while return migration is sensitive to economic conditions, the inclusion of return migration in total in-migration conceals the effect of economic conditions on other in-migration. Thus, in the following, in-migration will be discussed excluding return migrants.

Nonreturn in-migrants are native Americans born in a state other than the one to which they are migrating. While this definition will include some who are returning to a state in which they previously lived, the census data do not permit exclusion of these individuals. The in-migration rate being examined here is the number of native Americans moving into a state other than their state of birth between 1955 and 1960, divided by the total population aged 5 years or older in that state.[7]

Hypotheses to Be Tested

A number of hypotheses were investigated in the work reported here. Many of these had been originally proposed and investigated in conjunction with research on either net migration or flows between specific pairs of places, by such workers as Blanco, Lowry, Greenwood, Nelson, Fabricant, Sjaastad, Muth, Mazek, Bunting, Gallaway, and Raimon.[8] There is not space here to review this extensive literature; however the principal differences with the present research will be pointed out.

The previous work has attempted to explain either net migration or the magnitude of the gross population flows between pairs of places. There has been little discussion of the determinants of in-migration, although Lowry hypothesized that the tendency for net migration to respond to economic conditions was due to migrants going *to* areas where conditions were good, rather than coming *from* areas with unfavorable economic conditions. Of the little work that has been done on in-migration, none has dealt with nonreturn in-migration. This has made it impossible to separate the effects of changes in economic conditions into the short-run changes caused by the return of previous migrants, and the long-run effects caused by nonreturn migration.

Much of the previous work failed to investigate the effect of employment growth on migration, considering only the effects of wage level and unemployment. Blanco, Raimon, Lowry, and Muth found that employment growth was important in explaining net migration. This article finds that it is the key to explaining nonreturn in-migration.

The following are the specific hypotheses being examined.

1. *The larger the population of an area, the more likely will jobs be filled from inside the area.*
2. *In-migrants are attracted by the availability of jobs, and as a result areas with rapidly growing employment will experience rapid in-migration.*
3. *Areas with lower unemployment rates will experience higher rates of in-migration.*
4. *If an area has a high birth rate, the native population will fill some of the available jobs, thereby reducing the incentive for nonnatives to come in.*
5. *Because the educated are more mobile than the noneducated, areas with a high proportion of jobs for the educated will have high in-migration rates.*
6. *High wages lead to in-migration.*
7. *Areas with a high proportion of soldiers will show high in-migration rates.*

Tests of Hypotheses

In the course of the research a large number of regressions were run, most of which cannot be reported here. The most useful equation was

$$\text{(1)}\quad NMIG = 56.59 - \underset{(.377)}{2.279}LOGP + \underset{(2.78)}{26.65}OBEG - \underset{(1.54)}{5.340}BR + \underset{(.1335)}{.4329}COLL - \underset{(.652)}{1.999}FINC + \underset{(12.08)}{.4820}ARMF$$

$$R^2 = .8667$$

Taking the hypotheses one by one, we reach the following principal conclusions.

Size of population. It is to be expected that migration across the boundaries of a small state would be proportionately greater than for a large state. In particular, the larger the state, the easier it is to find a qualified applicant for a job from within the state. It is desirable to control for this variable because the states with large populations tend to be those with big cities, having a high percentage of population urban, a low dependence on agriculture, and a high wage level. If size of state is not controlled for, its effect will be partially ascribed to other variables, biasing downward the estimates of their effects. In equation (1) population size was controlled for by including the logarithm of the 1960 population. This variable was highly significant with a value six times its standard error. When used alone it can explain about a quarter of the total variance. The coefficient indicates that an increase in the population by a factor of 2.71 (the mathematical constant e) increases gross in-migration over a five-year period by 2.28 percent of the 1960 population. When land area was used as a measure of state size, it was found to be statistically insignificant.

Employment growth. The most important determinant of gross in-migration rates is the rate of growth of employment, here measured as the average growth in the number of working individuals including the self-employed (among them farmers) and the military, for the period 1950-60. This variable alone can explain over 60 percent of the variance even though the growth of employment for 1950-60 can only be a surrogate for the growth of employment in 1955-60. It appears that a growth of employment of 1 percent over ten years will produce a nonreturn in-migration of .267 percent (of 1960 population) over five years.

The mechanism by which growing areas attract in-migrants is a combination of rational response to economic forces and a random matching of people to jobs. The rational migration occurs when job hunters decide to seek work in a particular area because it has a large

number of jobs available. This is the traditional economic model impelled by the actions of the rational, economic man. However, increased migration to states with expanding economies can also occur without anyone making a conscious decision to move to such areas, and indeed without the migrants even knowing which areas have expanding economies. Potential workers apply for jobs in a number of different areas, and the firms that hire them tend to be located disproportionately in the areas with expanding employment. Thus migrants are directed to the area where their labor is most needed without anyone necessarily being aware of the process.

Of course, regressions can never prove a direction of causation. It could be argued that the observed correlation between in-migration and employment growth really shows that the in-migration increased the labor supply and led to the growth in employment.[9] Although the author would not agree with this interpretation, a good statistical argument is not available.

One statistical bias should be noted. The measure of employment used includes the self-employed, among whom are most farmers. Thus, if a self-employed individual moves into an area because he believes he can earn more in that area, his migration will increase the reported employment, and part of his in-migration will be attributed to employment growth rather than to higher income in the destination area. Since the coefficient for employment growth is only about a quarter of the growth in employment, the other three-quarters are left to be explained by income. Thus the bias should not be large.

Near the end of the project, experiments were conducted with the Bureau of Labor Statistics' (BLS) measure of employment reported in *Employment and Earnings.*[10] This is the same measure of employment growth that Blanco found so powerful for explaining net migration.[11] It is based on place of employment rather than place of residence and excludes the self-employed and the military. In addition, it could be calculated for the period 1955-60. Using this measure of employment growth, the following equation was obtained.

$$\text{(2)}\quad NMIG = -.16144 - \underset{(.335)}{2.158}LOGP + \underset{(.0766)}{.4234}BLSG - \underset{(1.369)}{4.900}BR + \underset{(.131186)}{.011385}COLL + \underset{(.568)}{1.176}FINC + \underset{(9.92)}{27.17}ARMF$$

$$R^2 = .8940$$

As can be seen, the BLS employment measure has the higher explanatory power (R^2 = .8940 versus .8667) and has the highest level of significance for the employment measure (t = 11.24 versus 9.59). The equations are generally similar except that the coefficient for COLL is not significant in equation (2) and the coefficient for the armed forces is not significant in equation (1). However, for back migration and out-migration, this measure of employment growth gave worse results (in regressions not reported here).

Unemployment. Experiments were conducted with the 1960 census unemployment rate. This variable consistently failed to have any explanatory power. This could be either because migration is completely unaffected by unemployment (which the author doubts), or because the unemployment rate for April 1960 is a poor measure of the unemployment which prevailed during the whole of the 1955-60 period.

Birth rate. The level of in-migration is reduced for the states with a high birth rate as measured by the number of children per 1,000 women ever married in the 35 to 44 age bracket. This relatively old cohort was chosen partially because it was desired to have a measure of completed family size, and not one distorted by differences in the age of marriage or the timing of the birth of the first child. Also, it was expected that the effect of a high birth rate would be felt not when the children were born, but when they entered the labor force, filling jobs that would otherwise be filled by in-migrants. This was best achieved by examining the childbearing behavior of older women, whose children would be entering the labor force, or close to entering it, by 1960. The coefficient suggests that an increase in family size of one child would reduce the in-migration over a five-year period by 5.3 percent of the 1960 population.

Education. States whose industries require educated workers have high in-migration rates. In particular, states with a high proportion of citizens who have been to college for at least one year have high in-migration rates, as indicated by the statistically significant coefficient in equation (1). Experiments were conducted with the average years of education, the percent who completed high school, and the percent who completed college, but these measures of educational attainment gave poorer results. This is in accord with other information which shows a large difference in migration behavior between those who have been to college and those who have not.[12] Educational attainment of the population already living in a state serves as a surrogate for the educational requirements of the jobs in the state. In general, the higher these requirements, the more likely the successful applicant is to come from out of state.

In some cases this reflects the specialized nature of these jobs and the resulting need to look outside the state for a qualified applicant. In other cases it reflects only the greater mobility of the educated. However, the

educational attainment of the inhabitants of a state also serves as a surrogate for the educational level of the surrounding states, whence come many of the in-migrants. This is because there is a certain similarity in educational levels in the different regions of the country. Since the educated are more mobile, being surrounded by educated people is conducive to high in-migration.

Wage level. Wage level theory predicts that an area with high wages will experience a high rate of gross in-migration. Median 1959 family income was used as a measure of the wage level. Experiments were conducted using male per capita earnings, but these had lower explanatory power. Although average family income includes investment income, the error from this source is reduced by the strong correlation of ownership of investments and earned income. By using annual family income, instead of an hourly wage, the opportunity to increase income by working longer hours, or by having more than one family member employed, is treated as equivalent to the opportunity to increase income by earning a higher hourly wage. Part of the high income of the wealthy states is due to higher average educational levels, rather than to higher pay rates for work requiring equal levels of education. This is partially controlled for by including the percent that have attended college. Without this control, the effect of wage differences would be overstated. (A problem with this solution is that college attendance is also promoted by high incomes.)

The coefficient for family income in equation (1) is statistically significant, indicating that each $1,000-increase in average family income produces an in-migration of 2 percent of the 1960 population over five years. The reader should note that while this income effect does exist, it is relatively weak, and it might take several decades for increased in-migration to expand the labor supply enough to decrease wages in a labor shortage area, or to increase wages in a labor surplus area.

Military personnel. The armed forces as a percent of male employment was inserted to prevent the high mobility of soldiers from biasing the results. Most members of the armed forces did not live in the state where they were stationed before induction. In equation (1) the coefficient for the percent in the armed forces was not significant. It was, however, in a number of the equations tried.

Return and Nonreturn

WHEN return migration is expressed as a fraction of the population living outside their state of birth, both it and nonreturn migration are found to respond to the availability of jobs, as shown by the growth rate of employment. In addition, the wage level in a state attracts nonreturn migrants, and probably attracts return migrants. Several other variables, including the birth rate and the educational requirements for employment in a state, influence nonreturn migration. From a methodological viewpoint, it was shown to be necessary to separate return migration from other in-migration. Only if the actual number of return migrants is related to the number of potential return migrants does return migration appear to respond to economic incentives.

APPENDIX

ARMF Number of men in armed forces divided by number of employed males (both from U.S. Department of Commerce, Bureau of the Census, *U.S. Census of Population: 1960,* vol. 1, *Characteristics of the Population,* pt. 1, United States Summary [Washington, D.C.: Government Printing Office, 1964], Table 119).

BLSG BLS employment growth rate. This is the growth in employment 1955-60 divided by 1960 employment and converted to a percentage. The employment used here was taken from U.S. Department of Labor, Bureau of Labor Statistics, *Employment and Earnings: States and Areas, 1939-1968,* Table 4 (various years). The military and self-employed are excluded, and the employed are counted where they work.

BMIG Ratio of number of return migrants (U.S. Department of Commerce, Bureau of the Census, *U.S. Census of Population: 1960, Subject Reports, Lifetime and Recent Migration,* Final Report PC(2)-2D, Table 5, "Native, born in state of residence, living in different state in 1955 and 1960") to the number living outside their state of birth (from U.S. Department of Commerce, Bureau of the Census, *U.S. Census of Population: 1960, Subject Reports, State of Birth,* Final Report PC(2)-2A, Table 11).

BR Birth rate, as measured by number of children ever born per 1,000 women ever married aged 35 to 44 (*United States Summary,* Table 117).

COLL The percentage of the population aged 25 and over who have completed one or more years of college (*United States Summary,* Table 115).

FARM Ratio of rural-farm to total population (*United States Summary,* Table 107).

FINC Median family income (*United States Summary,* Table 106).

LOGP Natural logarithm of total population of state (calculated from *United States Summary,* Table 18).

MSB Ratio of those born in a state but now living elsewhere to the state's 1960 population (*State of Birth,* Table 11).

NMIG Nonreturn migration rate expressed in percent (*Lifetime and Recent Migration,* Table 5).

OREG Rate of increase in total employment from 1950 to 1960 (including military), calculated from U.S. Department of Commerce, Office of Business Economics, *Growth Patterns in Employment by County, 1940-1950, and 1950-1960* (Washington, D.C.: Government Printing Office, 1963).

RMIG Return migration rate (expressed in percent). The number of return migrants divided by the total 1960 population aged 5 and over (*Lifetime and Recent Migration*, Table 5).

FOOTNOTES

1. The author has discussed out-migration in "Is Out-Migration Affected by Economic Conditions?" *Southern Economic Journal*, January 1973, in press. The research on which the present article is based was done while the author was employed by the New England Regional Commission. Special thanks go to Mr. Jay Jones who assisted with the preparation of the data and to Dr. James Miller who made many useful comments. The opinions expressed are the author's own and do not necessarily correspond with those of either the New England Regional Commission or the U.S. Department of the Treasury.
2. Mary Jean Bowman and Robert G. Myers, "Schooling, Experience, and Gains and Losses in Human Capital through Migration," *Journal of the American Statistical Association*, vol. 62, no. 319 (September 1967); Hope T. Eldridge, "The Influence of Return Migration upon Rates of Net Migration" (Paper delivered at the Thirty-fourth Session of the International Statistical Institute, Ottawa, Canada, 1963); Yochanan Comay, "Determinants of Return Migration: Canadian Professionals in the U.S.," *Southern Economic Journal*, vol. 37, no. 3 (January 1971), pp. 319-22; and Dale E. Hathaway and Brian F. Perkins, "Occupational Mobility and Migration from Agriculture," *Rural Poverty in the United States: A Report by the President's National Advisory Commission on Rural Poverty* (Washington, D.C.: Government Printing Office, 1968).
3. Calculated from Table 5 of U.S. Department of Commerce, Bureau of the Census, *U.S. Census of Population: 1960, Subject Reports, Lifetime and Recent Migration*, Final Report PC(2)-2D (Washington, D.C.: Government Printing Office, 1963). The percentages given are the ratio of "Native, born in state other than that of 1960 residence, living in different state in 1955 and 1960" to the total native-born population. Thus, the foreign-born migrants from abroad and those whose state of birth is unknown have been excluded.
4. The regressions utilize data for the forty-eight continental states plus the District of Columbia. Alaska and Hawaii were excluded because of lack of contiguity with the other states and because of the exceptional role played by military personnel in in-migration to these states.
5. U.S. Department of Commerce, Bureau of the Census, *U.S. Census of Population: 1960, Subject Reports, State of Birth*, Final Report PC(2)-2A (Washington, D.C.: Government Printing Office, 1963), Table 11.
6. The actual equation was

$$\text{RMIG} = \underset{(.1206)}{.7533} + \underset{(.324)}{2.9066}\text{MSB}$$

$$R^2 = .6309$$

7. The migration rates used here are taken from Table 5 of Bureau of the Census, *Lifetime and Recent Migration*. Return migrants are those "Native, born in state of residence, living in different state in 1955 and 1960." Nonreturn in-migrants are those "Native, born in state other than that of 1960 residence, living in different state in 1955 and 1960."
8. Cicely Blanco, "Prospective Unemployment and Interstate Population Movements," *Review of Economics and Statistics*, vol. 46 (May 1964); Ira S. Lowry, *Migration and Economic Growth: Two Analytical Models* (San Francisco: Chandler Publishing Co., 1966); Michael J. Greenwood, "An Analysis of the Determinants of Geographic Labor Mobility in the United States," *Review of Economics and Statistics*, vol. 51, no. 2 (May 1969), pp. 189-94; Phillip Nelson, "Migration, Real Income and Information," *Journal of Regional Science*, vol. 1, no. 2 (Spring 1959), pp. 43-74; Ruth A. Fabricant, "An Expectational Model of Migration," *Journal of Regional Science*, vol. 10, no. 7 (1970), pp. 13-24; Larry A. Sjaastad, "The Costs and Returns of Human Migration," *Journal of Political Economy*, vol. 70, no. 5, pt. 2 (October 1972), pp. 80-93; Richard F. Muth, "Migration: Chicken or Egg," *Southern Economic Journal*, vol. 37, no. 3 (January 1971); Warren F. Mazek, "Unemployment and the Efficiency of Migration: The Case of Laborers," *Journal of Regional Science*, vol. 9, no. 1 (April 1969), pp. 101-7; Robert L. Bunting, "A Test of the Theory of Geographic Labor Mobility," *Industrial and Labor Relations Review*, vol. 15 (October 1961), pp. 75-82; L. E. Gallaway, R. F. Gilbert, and P. E. Smith, "The Economics of Labor Mobility: An Empirical Analysis," *Western Economic Journal*, vol. 5 (June 1967), pp. 211-23; and Robert L. Raimon, "Interstate Migration and Wage Theory," *Review of Economics and Statistics*, vol. 44, no. 4 (November 1962).
9. For a recent discussion of this problem see Muth, "Migration."
10. U.S. Department of Labor, Bureau of Labor Statistics, *Employment and Earnings: States and Areas, 1939-1968* (Washington, D.C.: Government Printing Office, 1969).
11. Cicely Blanco, "The Determinants of Interstate Population Movements," *Journal of Regional Science*, vol. 5, no. 1 (Summer 1963), pp. 77-84, and "Prospective Unemployment," pp. 221-22.
12. John B. Lansing and Eva Mueller, *The Geographical Mobility of Labor* (Ann Arbor: Survey Research Center, University of Michigan, 1967), pp. 43-45 and 48-99.

Census

E.V. Have you ever read Susan's memo to Martin Karr, attached? It seems to me it is good enough, with only a little editing, at least to be issued to the media as background stuff. I don't think it is a special report, because it's largely just acompilation of trends, etc. But we ought to be able to make some further use of it.

b.a.

Of the ebbs and flows that characterize the movements of America's people, the most basic trend of the century has been the decline of the country's rural population. In 1900, 39.7 per cent of the nation's population was classified as urban. By 1960 that figure was 70.0 per cent.[1] According to the advance reports issued by the Census Bureau, 149,280,769 people, or 73.5 per cent of this country's total population are urban residents.[2] Conversely, the number of people living in rural areas has declined from 60.3 per cent in 1900 to 30 per cent in 1960. The 1970 advance census reports place America's rural residents at 53,884,804 or 26.5 per cent of the total population.

URBANIZATION OF THE SOUTH

The shift from rural to urban America has been especially evident in the South. In 1900 only 18 per cent of the region's population lived in urban areas. By 1960 that figure had reached 58.5 per cent.[3] The 1970 advance reports from the census bureau show 64.6 per cent of the 'census south'[4] as urban residents. (The census is comprised of the 11 Deep South states plus Maryland, Delaware , West Virginia, Kentucky, Oklahoma and the District of Columbia.)

A more representative statistic for the more homogeneous South would include the totals from Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Tennessee, Arkansas, Louisiana and Texas. This Deep South region contains 50,046,056 people with 32,280,140 urban residents and 17,765,916 rural residents.[5]

DECLINE OF THE FARM POPULATION

A natural corollary to the rural-urban shift is the decline of the farm population. The 1971 Manpower Report to the President[6] states that only 30 years ago one out of every four people lived on a farm. Today, the figure is one out of twenty. Between 1940 and 1969 the farm population dwindled from 30.5 million people to 10.3 million. The number of people living on farms decreased one-third between 1959 and 1969 alone. Of the future trends, the Manpower Report observes:

> In the mid-1960's the volume of out-migration began to taper off. For the period 1965-69, the rate of net out-migration from farms, at 5.2 per cent of the population, was not much different from the rate in the first half of the decade, 5.7 per cent. However, with the steady reduction in the farm population, the actual number of out-migrants has declined and is expected to be still smaller in the 1970's. But the end of the movement off farms is not in sight, since continuing mechanization and consolidation of farms are anticipated.

It has been pointed out however, that the reduction in absolute numbers of those leaving the farm does not represent any decline in the actual propensity to migrate. The fact that the annual net

out-migration from farms was 1,115,000 in the period from 1950-55, and fell to 711,000 in the years from 1965-68 reflects the fact that less people comprise the farm population, not that the inclination to migrate is any less.[7]

Any accurate picture of the shifts occuring in population distribution must take the growth of the rural non-farm population into account. All those who leave farming do not re-locate in the city. Many off-farm migrants become members of the rural non-farm population. (The census defines rural non-farm population as residents living in areas of less than 2,500 or in open country but not engaged in farming.) The President's Manpower Report points out that the growth of the rural non-farm population "has increased enough since 1960 to offset the decline in farm population; so, on balance, the rural population has remained at about the same overall level during this decade." The report also notes that although rural non-farm residents now outnumber farm residents 4 to 1, the nature of non-farm areas should be appreciated. "it is surprising to note that many rural residents already live within metropolitan areas or the surrounding counties. In 1960, 26 per cent of the people classified as rural residents lived within the boundaries of SMSA (Standard Statistical Metropolitan Areas) counties, and 22 per cent more were within a fifty mile radius of metropolitan areas."

The South is unique in the sense that historically the region

has supplied other parts of the country with residents in substantial numbers while the long-term migration trend showed little evidence of a balanced influx to the region. C. Horace Hamiliton[8] notes that

> between 1910 and 1920 the South lost over a million people by migration and more than a million and one-half between 1920 and 1930. During the Depression decade of 1930-40, the net loss of southern population dropped to about three-fourths of a million; but rose to more than two million during the World War II decade--1940-50. However, during the following decade, 1950-1960, the net loss by migration dropped back to just under one and one-half million.

CHARACTERISTICS OF MIGRANTS

Some consideration must be given to the special characteristics of the people who migrate. According to Hamiliton:

> Although net loss of southern non-whites has been both absolutely and relatively much greater than the net loss of southern whites, the gross out-migration of whites both to and from the South has been absolutely and relatively greater than the gross out-migration of non-white population. This may seem like a paradox, but it is true because the in-migration of non-white people of the South, as compared to out-migration, is absolutely and relatively much smaller than the in-migration of whites. Out-migration of the non-whites from the South is almost a one-way street.

For example, from 1955-60, 2,033,000 whites migrated from the South; 2,367,000 whites migrated to the South; 6,047,000 whites moved within the region making a net gain of 334,000 white residents. On the other hand, 402,000 blacks migrated from the South; 123,000 blacks migrated to the South; 762,000 blacks moved within the region making

a loss of 279,000 blacks during the same period.[9]

The substantial losses of black population from the South are evident when the distribution of the nation's non-white population is viewed on a long-term basis. In 1840, 38.0 per cent of the South's population was black. By 1930 that figure had dropped to one-fourth and by 1960 to 20.9 per cent or almost one-fifth. Hamiliton points out that as late as 1910, about 9 of every 10 blacks lived in the South and 8 of every 10 southern blacks lived in rural areas where three-fourths of the region's farmers were farm tenants and over one-half of the black tenants were sharecroppers. Despite large migratory losses, the present total black population in the South is still growing, because of the excess of natural increase over net out migration.

The annual net migration of blacks from the South has declined from 160,000 per year during the 1940-1950 decade to less than 90,000 per year during the 1960-1969 period. Correspondingly the South's black population has increased from less than 10,000,000 in 1940 to more than 11,500,000 in 1969.[10]

The 1970 census figures show a reversal of the historical migration trends for the South. The 'census south' gained 6.6 million people during the 1960-1970 decade and became the most populous region in the nation with close to 62 million people. For the first time since the 1870's the region gained more people than it lost.

Slight shifts in racial composition showed approximately 19 per cent of the South's population as black (opposed to 20.9 per cent mentioned above for 1960) or an 11 per cent black population figure for the entire country. Almost as many black people live outside the census south as within the area; 52 per cent of the nation's black citizens are southerners.[11] A number of other generalizations than those based on race, can be made about migrants. Age and sex are common indices used in describing the type of people who migrate. It is known that young blacks contribute heavily to those migrating out of the region and that older whites characterize those moving into the area. "As a matter of fact, among white females, all of the net out-migration is found among females under 40 years of age, and all of the net in-migration is found among females 40 or more years of age. The in-out dividing point in net migration among white males occurs at 55 years of age. Among the non-white sex groups, only among those 55-65 years of age is any net migration found."[12] The age distribution of migrants is important especially in the South because the region has lost so much of its most valuable asset--its human resources. The majority of rural to urban migrants are young adults in their prime working ages. They leave behind a disproportionate number of children and old people who have a higher rate of dependence. Since migrants tend to be better educated than those remaining at the point of orgin, the areas of net out-migra-

tion lose their most "productive elements" in the population.[13]

> In 1969, less than one-fifth of the farm population were in the prime working age group of 25-44, compared with about one-fourth of the people. About 23 per cent of the farm population 55 years of age or over; the corresponding figure for metropolitan areas was about 18 per cent. . . .In 1970, nearly half (45 per cent) of the farm residents aged 25 or over had only eight years of schooling or less. In contrast, one-third of the people in rural non-farm areas had as little as eight years of education, and the proportion was much lower still--about one-fourth--for those in metropolitan areas. . . . The educational deprivation was much greater for Negroes than whites. Three out of every four Negro farm residents aged 25 or over had only eight years of schooling or less--often much less--in 1970.[14]

The age and educational disparities of the farm population are obvious drawbacks to the industrial development of depressed rural areas where the remaining work force is lacking in education and skills.

The most recent trends in the destination and origin of migrants are as meaningful as their volume and characteristics. The 1970 census figures show that although the population increases in the country's Standard Metropolitan Statistical Areas was less during the 1950's than 1960's, 75 per cent of the nation's growth occurred in metropolitan areas in the past decade. (The SMSA is used by the census bureau to denote a city of at least 50,000 and surrounding counties with strong economic and social links to the city.) The medium sized rather than the largest metropolitan areas are making the greatest population gains. (Only three of the largest 12 cities in the country grew at a faster rate than the national average.) Twenty-three of the thirty-one metropolitan areas containing between 750,000 and two

million people grew faster than the national average. Of these twenty-three fastest growing areas, eight were in the states of the old Confederacy: Houston, Atlanta, Miami, New Orleans, Tampa-St. Petersburg, San Antonio and Fort Worth. Most growth within the metropolitan areas continues to be in the suburbs. By 1970 16 of 25 largest cities in the country had lost population. The surburban rings around the cities grew at a rate five times as fast as the central cities in the 1960's surpassing the 1950's surburban growth rate of four times as fast.[15]

Much of the growth of southern metropolitan centers occurred between 1960-1970 in the satellite cities rather than core cities and their immediate surburbs. In Alabama for instance the larger core cities of Birmingham, Montgomery, Mobile, Gadsden and Tuscaloosa showed population losses in some instance as heavy as those in rural areas, according to preliminary 1970 census reports. The rural areas, primarily the Black Belt, lost approximately 77,000 people while the surburbs and satellite cities of the state gained about 74,000 residents. The Birmingham News[16] cites this example:

> The gains in emerging satellite cities areas were even more impressive: Shelby County gained 10 per cent; St. Clair and Walker each picked up more than Homewood; Cullman which could qualify as a satellite to both Birmingham and Huntsville, gained over 10 per cent.
>
> Autauga County, a satellite to Montgomery, gained 25 per cent and Baldwin County, right across the bay from Mobile, increased its

> population roughly by 15 per cent. In North Alabama, almost every county bordering a major metropolitan or industrial area showed gains varying from five to 25 per cent.
>
> Conversly, of the state's major cities only Huntsville registered a truely significant increase in population.

A similar trend is evident in the Atlanta area where the city itself gained 98 residents. According to 1970 census figures, Fulton County (containing most of Atlanta) grew 9.2 per cent and neighboring DeKalb County gained by 61.8 per cent. Among the major growth areas however were nearby Clayton County which gained by 111.5 per cent, Cobb County which grew by 72.4 per cent, Gwinnett County which showed a 66.2 per cent gain and Rockdale County which increased its population from 1960 by 71.1 per cent and Henry County by 34.7 according to final census figures.

Shifts in population distribution are closely related to employment opportunities. The continued out-migration from rural areas reflects the continued decline in traditional agricultural employment. U.S. farm employment dropped from 7.9 million in 1947 to 3.5 million in 1970.[17] The Monthly Labor Review of the Bureau of Labor Statistics[18] states that

> there is no indication of any drastic slowdown in the movement of farm labor out of farming in the South. Although the South has lagged behind other regions in mechanizing agriculture, the rate of substitution of capital for labor has accelerated in recent years.

The article notes that as of 1966, migration from the farm to rural

non-farm employment or cities showed a higher rate of population loss per year than during the 1950's.

> Migration from farms in the South during the 60's is expected to exceed that of other regions by a considerable proportion. Migration of whites from southern farms during the decade of the 60's has been estimated at about 43 per cent. About 63 per cent of non-white men are expected to migrate from southern farms to non-agricultural areas during the same period . This compares with an expected migration of less than 40 per cent of all men in the United States.

The proportion of workers in the manufacturing and service industries is increasing as agricultural employment contines to decline.

> A large percentage of the farm resident population (14 years and older) do non-agricultural work, for example, a recent Bureau of the Census and ERS Report (P27, No. 41, June 18, 1970) shows that in 1969, 51.1 per cent of the South's farm population employed labor force was engaged in non-agricultural work. The comparable figure for the nation was 44.1 per cent.[19]

Non-farm employment growth has actually been faster outside metropolitan areas than within urban. (Between 1962 and 1969, private non-farm wage and salary employment increased by over five per cent per year outside metropolitan areas as opposed to a four per cent increase with such areas.) What does the future hold for the South's labor force? The Monthly Labor Review believes "whether the South has an adequate labor force by 1975 depends primarily upon the rate of migration from the region." And the rates at which people leave their homes is ultimately dependent on the quality of their lives. While 26.5 per cent of the total population lives in rural America, over half the

the nation's poor people in 1969, about 12 million, lived outside metropolitan areas. The Manpower Report to the President notes that:

> Poverty is not only more frequent but also more severe among rural than among urban families. The median income of poor families in metropolitan area was $2,125 in 1969, compared with $1,973 for those living outside such areas. Poor farm families had an income of only $1,669. Their income level was too far below that of the urban poor to be offset by the lower cost of living in the countryside. And since rural families are typically larger than urban families, the disparity in living standards is greater than appears from the difference in cash income.
>
> The incidence of poverty is much higher among Negroes than whites in rural areas, as in the country generally. More than half of all Negroes living outside metropolitan areas had incomes below the poverty line in 1969, compared with one out of every seven white people.
>
> . . .60 per cent of all the poor outside metropolitan areas, including nearly all of the Negroes in this category, live in the South.

The future of the South's economic development will depend largely on the extent to which it develops its human resources through education and training and on the degree of efficiency shown in utilizing both the black and white members of the region's future labor force.[21]

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3. Hamilton, op. cit.

4. Some fell that for statistical purposes only the 11 states of the Old Confederacy represent the homogeneous South more accurately.

5. These figures were computed from the Advance Census Population Reports (PC VI) for those states listed.

6. U.S. Department of Labor, Manpower Report to the President, Washington: Government Printing Office, April 1971.

7. U.S. Department of Labor, Bureau of Labor Statistics, Monthly Labor Review, Vol. 91, No. 3, Washington: Government Printing Office, March 1968.

8. Hamilton, op cit.

9. Ibid.

10. Richard F. Wertheimer II, The Monetary Rewards of Migration Within the U.S., The Urban Institute, Washington, D. C. March 1970.

11. Atlanta Journal ed., "The South Today," Oct. 22, 1970.

12. Hamilton, op cit.

13. The Industrialization of Southern Rural Areas -- incomplete

14. Manpower Report to the President, op. cit.

15. Lawrence A. Mayes, "U.S. Population," Fortune, Feb. 1971.

16. William Sartor, "Profound Impact of Census May Be Felt for Generations," Birmingham News, June 28, 1970.

17. Manpower Report to the President, op cit.

18. Monthly Labor Review, op cit.

19. Hamilton, op cit.

20. Manpower Report to the President, op cit.

21. Monthly Labor Review, op cit.

Census

Emory:

A thought for you to munchm on:

At some point we shouldmmdem consider devoting a 12-page issue of South Today to the census findings and their implications. I think this could be a highly significant issue. I'm not sure, though, that it's manageable with our resources. m We might explore what's available when, see what other outfits are doing with it, etc., and gmxma make our plans from this information. Is it possible Horace will soon be available for such exOlorations and recommendations ? Someone else ? At our staff meeting to discuss census information, it was suggested that Horace might serve as a sort of contact-man-to-find-out-whO-knows-what on this subject. mm mmmm I don't remember whether that splendid suggestion was taken.

Reese C

New South Sixty Subject issue

Map & perhaps one article which would also be separate pamphlet with the map. Any savings in printing for metric

Gregory Day

EV. A suggestion, unrefined and unsophisticated.

~~EvVx~~ This is ~~xxxxxxxx~~ a bit long ~~xxxx~~ range; probably a year off, but if we plan ahaed on it might yield dividends; picking out specific areas of the 1970 census, as it relates to the south, to compare to the 1960 statistics, for evaluation of how far we've come in various areas in ten years. Perhaps have some academic type experts evaluate for us, with ~~xx~~x analysis. A kind of 1970 "Southern Regions." Anyhow, thought it was worth a thought.

ba

Bring up at RDC
and for Res. Conference (?)

Update ~~maps~~ racial distribution maps —
c/ to 1950 (?) 1960 (?)

Cens

THE POPULATION EXPLOSION AND YOUR TAXES

BY

MARRINER S. ECCLES

FORMER HEAD OF THE
FEDERAL RESERVE SYSTEM

end

U. S. Population Explodes

We are prone to think the population problem applies to the underdeveloped countries and that so far as the United States is concerned this is a problem of the future if at all. It is true that for the better part of our history as a nation, we were under-populated. Fresh in our memory is the frontier and the wilderness and the sagas of the wide open spaces. Recent as it may seem, this period is now past.

The United States in 1960 had over 180 million people. Our present rate of growth (birthrate less deaths plus immigration) equals 1.8%. **Projecting this rate of growth, our population will double or reach 360 million by the end of the next generation. At this rate, it will reach over one billion in a century —a relatively short period in the history of a nation.**

What is the significance of this population growth in the United States? What problem does it raise in the field of taxation?

A good deal of the tax burden it will be seen upon examination, derives from the social problems resulting from too rapid population growth.

There are those who say that even though total taxes increase, there are more people to pay them. But there is fairly general agreement that the total tax load is too high. Public expenditures at all levels passed $150 billion in 1960, 30% of our national product. Defense and international affairs account for only one-third. The other two-thirds, the lion's share, is influenced by the growing population. This is especially true of state and local governments where the impact of providing necessary public services for an ever-swelling urban and suburban population is severely felt.

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From 1950 to 1960 our population increased 18%, whereas federal expenditures for our domestic requirements increased 36%, or twice as fast. Expenditures of state and local government went up more than 110% in this same period—from $25 billion, 600 million to $56 billion. Even though there were more people to pay taxes, the per capita tax was $172 in 1950 and $317 in 1960. State and local taxes are becoming an increasingly large proportion of the total tax take—going from 16.5% in 1946 to 36.8% in 1960. Even the tremendous increase in these taxes has not provided these taxing units sufficient income to go on a pay-as-you-go basis. In 1950 the state and local debt was $20.7 billion. By 1960 it had nearly trebled, reaching approximately $60 billion. With a continuation of the present population growth, many communities will find themselves in financial difficulties.

Mounting Taxes and Debt

Our enlarging population in considerable degree is responsible for our rapid per capita increase in taxes and public debt. Population density creates and increases a whole series of public services as well as public problems. Next to defense, education is the largest and most important item of public expenditure—amounting to $18 billion in 1959. Private gifts and expenditures for education matched or exceeded this figure. It is estimated that college enrollment will double during the sixties. It is obvious that this essential obligation can only be met by further increases in taxes and borrowing against the future. It is said that the waves of college-bound students will begin to mount in earnest during the 1963-1975 period.

At present one-third of all state and local government expenditures are for education. California has just placed on the November ballot a college bond issue of $220 million.

These funds are for new college construction and will fill these needs of the State colleges only until 1965. This is an example of population pressures which are taking place in many parts of the country. It is shocking to envision the growing burden of taxation for education. Education is a national and not a local problem, second only to defense. We are threatened intellectually by the Communists as well as militarily. We must procure teachers and skilled manpower in sufficient quantities to maintain our position of leadership. Strength lies not in numbers, but in education, training, skills, character, discipline and freedom. The backward conditions in the rapidly growing and underdeveloped areas of the world are the best evidence of this fact.

Transportation is an increasing, a defeating and frustrating problem as the death toll and accidents mount and the federal and state governments spend more and more billions in what seems to be a losing battle to reduce congestion as the new drivers take to the highways. The purchasing of costly right-of-ways, the building of tunnels and bridges, and the installation of whole new arteries and webs of connecting highways seems to have no terminal point as to cost, or time of solution.

Mounting Crime and Delinquency

We have watched with dismay and distress the mounting rate of crime and juvenile delinquency in spite of all the efforts of the churches, schools, cities, states and federal government as well as numerous private organizations to cope with this menacing problem. The increasing rate of crime exceeds that of population growth. From 1960 to 1970 juvenile delinquency in the 15 to 19 year age group at the present rate of acceleration will increase by 44%. This is because of the increase in the numbers in this age group—a primary feeder of the adult criminal class.

Our hospitals and health services have an increasing problem to keep pace with population growth. Our society is getting both younger and older at the same time. This means we may be reaching the peak in our standard of living as the ratio of the dependent groups increases. Public expenditures and hence taxes are mounting to enable us to meet these needs.

There are nearly a million new workers every year coming onto the labor market. They will rapidly increase with population growth. Our nation has been unable to absorb these new workers and keep old workers employed. Hence the number of our unemployed runs between 5% and 6% of our total labor force. This army of idle workers must be supported. This means more taxes.

As our population grows and congestion increases in our urban complexes, where 63% of the U.S. population now lives, recreation becomes an increasing necessity. To provide parks and essential recreational areas for our teeming millions is a huge physical as well as financial challenge. It takes billions of dollars of state and federal funds—more taxes—in a futile attempt to meet the need, especially in the congested northeast. Last year 102,000,000 people visited the national forests. At the present rate of increase the demands on national forest recreational areas alone will double in eight years. How will the growing demands be met for beaches, playgrounds, swimming pools, city parks, picnic grounds, etc., etc.?

There is the pressing national problem of water conservation and pollution of the streams and the atmosphere, of sewage disposal and sanitation. These problems and their cost increase rapidly as the population grows. This again means mounting taxes.

Mounting Bureaucracy

The growth and complexity of our society has brought about an unbelievable bureaucracy in city, county, state and the nation, all supported by the taxpayers.

Our large and not sufficiently restricted immigration adds approximately 700,000 people per year to our too rapid population growth. It also adds to our unemployment, cost of education and other public services.

Foreign aid is also closely related to population and taxes. "It is as closely linked with a bridge or road in Mexico as in Los Angeles," a friend of mine recently wrote. "The cost of servicing the Chilean debt becomes a part of the cost of servicing our own debt; capital expended to provide new jobs for Brazilians is, in part, capital withheld from domestic industry."

Our total tax load as a percentage of our national income is likely to increase unless there is a drastic reduction in our rate of population growth.

How can the U.S. develop or influence a needed population policy for other countries when we fail to recognize or do what is urgently required about our own situation? It has been said, "Our critical foreign policy decisions involve a solution of our own internal difficulties and hesitations with reference to population policies in general and birth control in particular. A positive approach to the world's population problem, then, requires that we view the many related problems within our own society with the same frankness with which we approach those of other countries."

Conclusion

If we are to avoid further tax increases and adequately

MEET our pressing problems of **education**—

REDUCE juvenile delinquency and adult crime—

OVERCOME increasing transportation congestion—

PROVIDE adequate hospitals and medical care, housing and recreational facilities for our teeming millions—

MEET the problem of water conservation and pollution—

REDUCE poverty and unemployment—

Then our rapidly growing population must be curbed.

This means **BIRTH CONTROL** and not just planned parenthood, useful as this may be in many cases. It also means greatly **REDUCED immigration.** We cannot temporize longer—time is fast running out.

Our entire concept of a healthy and a happy world at peace, with pestilence and premature death eradicated, is totally unrealistic unless we recognize the severe limitations of population growth which are necessary in the United States, as well as the rest of the world.

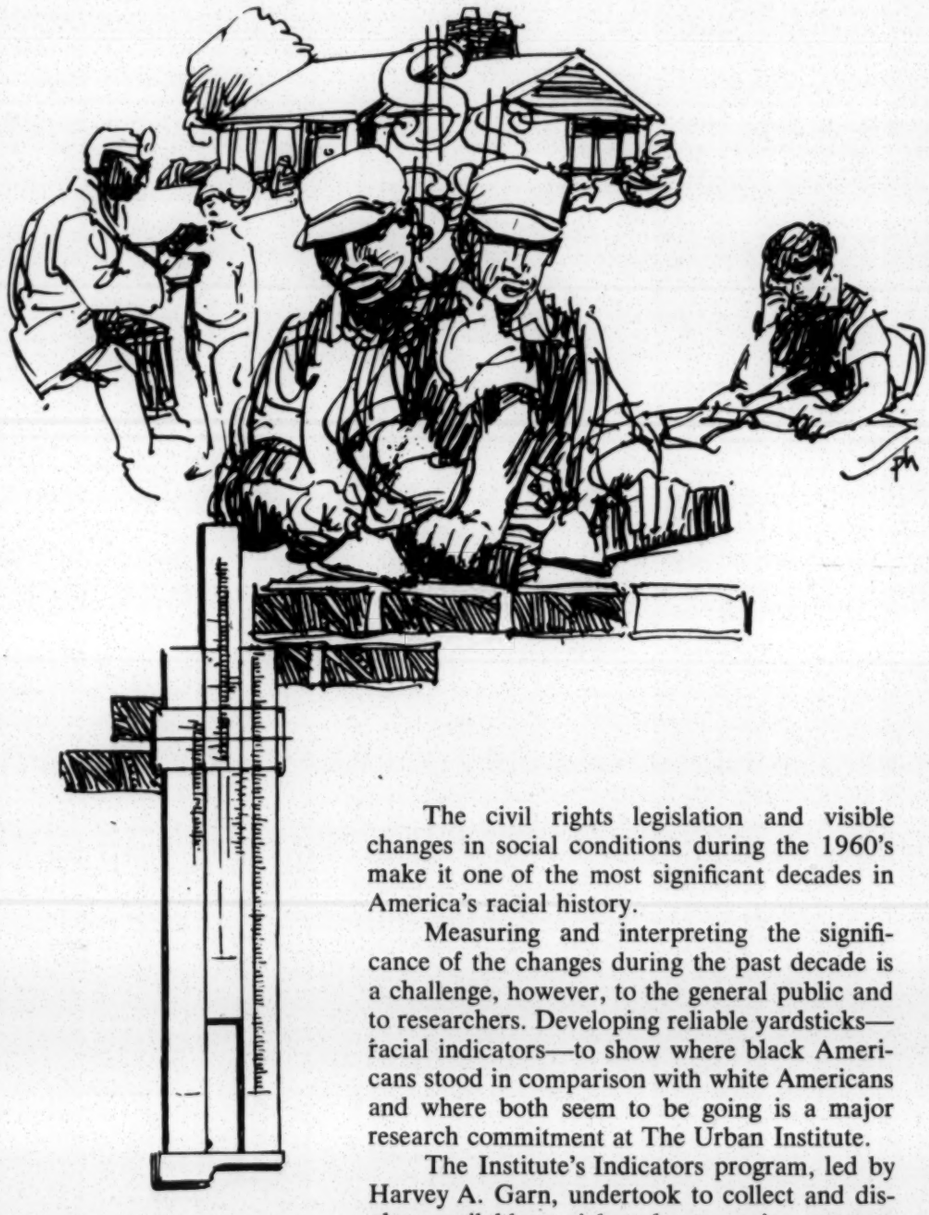
We cannot hope to live in this age much longer, enjoying security and abundance with a congested, poverty-stricken world around us.

* * * * *

Copies of this pamphlet are available upon request without charge. Also a companion piece, "Business and the Population Explosion," by Adolph W. Schmidt, of T. Mellon & Sons, Pittsburgh. Address Hugh Moore Fund, 51 East 42nd Street, New York 17, N. Y.

Census

Blacks and Whites: Measuring the Changes



Status of blacks during past decade analyzed

The civil rights legislation and visible changes in social conditions during the 1960's make it one of the most significant decades in America's racial history.

Measuring and interpreting the significance of the changes during the past decade is a challenge, however, to the general public and to researchers. Developing reliable yardsticks—racial indicators—to show where black Americans stood in comparison with white Americans and where both seem to be going is a major research commitment at The Urban Institute.

The Institute's Indicators program, led by Harvey A. Garn, undertook to collect and display available social and economic measurements that would give a balanced picture of the status of blacks and whites in the 1960-68 period. The result this summer was, *Blacks and Whites. An Experiment in Racial Indicators,* prepared by Michael J. Flax. In his foreword to this 79-page publication, Institute President William Gorham says, "These indicators and the explanations of them provide some reference points for improving the quality of the public and private interpretation, understanding and discussion of racial issues."

Racial data have been compiled in the past, including *The Social and Economic Status of Negroes in the United States,* published by the Census and the Bureau of Labor Statistics. While relying heavily on these data, the Institute study is unique because of its use and presentation of the material.

Flax provides several alternative views of the available figures in 16 areas of social and economic activity, and also attempts to interpret recent research for the general audience. First, he examines the data to determine whether blacks and whites, viewed separately, made progress in the 1960's. Second, he compares progress toward racial equality in both relative and absolute terms. Third, he shows some of the possible implications of a continuation of the 1960-68 trends into the near future. In a later chapter, Garn discusses how recent research findings explain present and future relationships between income and other social and economic factors.

As the summary table on pages 4-5 shows, the 16 indicators used in the study are grouped in six categories. Twenty-six further tables in the publication present the specific data backing up the summary findings.

The second major question asked in the summary—Are nonwhites catching up to whites? —illustrates the complexity of the current racial picture. Specifically, are nonwhites improving at a faster rate than whites (a relative measurement), and is the gap between whites and nonwhites getting smaller (an absolute measurement)? In many instances, Flax found that the relative and absolute answers point in different directions. He therefore warns readers of racial indicators that "the progress of nonwhites can sometimes be made to look good or poor depending upon how the data are used."

The median family income indicator serves as an example of this phenomenon of catching up relatively while falling behind. Nonwhite income increased at a faster rate than white—4.9 percent compared to 3.4 percent. But at

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the same time, the actual gap between white and nonwhite median income widened from $3,063 in 1960 to $3,347 in 1968.

How is this possible? Take the case of one man earning $17,000 whose 3.5 percent pay increase amounts to $595 while a second man making $8,000 gets a 5 percent boost of $400. The $8,000-a-year man increased his income at a higher rate, but the first man's dollar increase is larger. The gap between the two thus increases from $9,000 to $9,195.

Similarly, the last decade saw higher black rates of improvement but a widening of the gap between whites and blacks in the following aspects: the percentage of families with income of $8,000 or more, the percentage of persons completing four years of college, and the percentage of illegitimate births.

Catching up or falling behind? Depends on perspective

The point is this: interpret with care. Distorted conclusions about racial status have been disseminated that were based, through error or intent, on too narrow a selection of data. The Institute report deliberately tries to minimize such misinterpretations by juxtaposing rates of change, changes in gap size and trends.

The study makes clear that the choice of indicators themselves may alter the picture. Flax compares the life expectancy of whites and nonwhites for persons aged 35. Using this indicator, it appears that nonwhites improved their life expectancy at a faster rate than whites between 1960 and 1967 and reduced the actual gap in years. But the author points out that a different picture emerges from focusing on the 25-year age level; there the white rate of improvement is higher and the gap is widening.

A high government official, speaking recently of black progress, revealed the need for careful scrutiny of data and indicators when he announced that the median income of certain young Negro families had equalled that of young white families. That same figure appeared in the newest edition of *The Social and Economic Status of Negroes,* but there it was put in more qualified terms: In northern and western regions, young black families in which the husband and wife both worked achieved a median income of $10,130, just short (99 percent) of the $10,267 earned by young white families in the same circumstances. However, seven out of ten young Negro wives worked compared to five out of ten white wives. In

WHAT THE RACIAL INDICATORS OF 1960

Subject Characteristic	*IS THE DIRECTI CHANGE GENER CONSIDERED DE* Whites and nonwh considered separat White	N
LIVING CONDITIONS AND HEALTH		
Infant mortality (per 1,000 pop.)	YES	
Life expectancy at 35 years	YES	
HOUSING		
% Housing that is substandard	YES	
FAMILY		
% Female-headed families[a]	NO	
% Children living with two parents[a]	NO[b]	
Fertility rates (live births/1000 women, 15-54)[c]	YES	
% Illegitimate births[d]	NO	
EDUCATION		
% Men (age 25-29) completing high school	YES	
% Completing at least 4 yrs. of college (25-34)	YES	
EMPLOYMENT		
% Unemployed	YES	
% Teenagers unemployed	YES	
% In clerical occupations	YES	
% In professional and technical occupations	YES	
INCOME AND POVERTY		
Median family income (in 1968 dollars)	YES	
% Persons below poverty level	YES	
% Families with incomes greater than $8,000	YES	

a. A rise in the proportion of children living with two parents or a decline in the proportion of female-headed families is generally thought to indicate a tendency toward greater family stability. This does not deny that similar figures for these variables may have different implications for

-1968 REVEAL

N OF ALLY SIRABLE?	ARE NONWHITES CATCHING UP TO WHITES?		WHITE/NONWHITE DIFFERENCES IF RECENT RATES OF CHANGE CONTINUE		FUTURE POSSIBILITIES
tes ely	Comparison of white and nonwhite progress, 1960-1968		Assuming the 1960-1968 rates of change remain the same...		Assuming the 1960-1968 nonwhite rates of change remain the same...
nwhite	Was the nonwhite rate of improvement greater than the white?	Was the size of the white/nonwhite gap decreasing?	Would the size of the white/nonwhite gap be smaller in 1976 than 1968?	Would nonwhites ever reach 1968 white levels?	Approximate year when nonwhite levels might reach 1968 white levels
					Rank[f]
YES	NO	YES	YES	YES	12 1994
YES	YES	YES	YES	YES	13 2019
YES	NO	YES	YES	YES	9 1988
NO	NO	NO	NO	NO	15 never
NO	NO	NO	NO	NO	16 never
YES	NO	YES	YES	YES	6 1979
NO	YES[e]	NO	NO	NO	14 never
YES	YES	YES	YES	YES	1 1973
YES	YES	NO	NO	YES	8 1987
YES	NO	YES	YES	YES	7 1982
YES	NO	YES	YES	YES	10 1989
YES	YES	YES	YES	YES	2 1974
YES	YES	YES	YES	YES	4 1978
YES	YES	NO	NO	YES	5 1978
YES	NO	YES	YES	YES	11 1992
YES	YES	NO	YES	YES	3 1974

the white and nonwhite communities because of cultural differences.

b. Data indicate that no change occurred.

c. A lowering of the fertility rate is assumed desirable. Where income is limited a decrease would tend to encourage desirable trends in many of the other categories measured.

d. Attitudes toward illegitimacy affecting accuracy of reporting have been found to differ among whites and nonwhites, therefore, the significance of similar figures may not be the same. It is assumed here that a higher illegitimacy rate is not desirable.

e. The white illegitimacy rate is increasing at double the nonwhite rate, therefore the slower nonwhite change may be expressed as a relatively greater "rate of improvement."

f. The earliest year is ranked lowest (1).

husband-wife families where only husbands worked, Negro income was only 71 percent of whites'. The median income for all black families nationwide in 1969 was only 61 percent of white family income. In short, the official's .statement could have been a useful and mildly hopeful statement if put into proper perspective; out of context, it appears both overly optimistic and misleading.

Devising indicators confronts researchers head-on with another problem—deciding what is forward or backward. For most indicators in this study, there is general agreement on what constitutes progress, but some caused difficulties. For instance, regarding the birth rates, decreasing fertility is "considered desirable," but it is conceded that the statistics "may have different implications for the white and nonwhite communities because of cultural differences." Differences may also occur over the concern about or significance of female-headed families and illegitimacy. With respect to the latter, it is widely believed that there is an accuracy problem in the data due, among other things, to the greater reluctance of white mothers to report children born out of wedlock.

Other research on racial questions can help clarify the issues and the indicators further. For example, Robert B. Hill of the National Urban League issued a paper, *The Strengths of Black Families,* soon after the Institute report was released. It highlights important data that adds to and modifies previous characterizations of black life. Flax and Garn believe such data should be included in future racial indicator studies. Critiques of the Institute report also may become the basis for future improvements in the clarity and usefulness of the indicators.

Projecting Data of Past Decade

Although it is an initial experimental study, the Institute report is being described in periodicals and newspapers as both a useful look at recent trends and a helpful indication of what these trends portend for racial equality in the future.

The projections in the study emphatically are not forecasts. By giving a time dimension, they are intended to throw further light on the meaning of the rates and directions of change during the 1960's.

The last column in the summary chart shows when blacks would reach the 1968 white levels, assuming that the 1960-68 black rates of change continue. These levels would be reached soon for several aspects of life—the percentage completing high school, in 1973; the percentage employed in clerical work, in 1974; and the percentage of families with incomes greater than $8,000 a year, in 1974. The achievement by blacks of these 1968 white levels would be long delayed according to other indicators—the year 2019 for life expectancy of 35-year-olds, 1994 for infant mortality, 1992 for the percentage of persons in poverty. Note, of course, that this does not imply that parity in the racial measurements will have been achieved by these dates, since it is likely that whites will continue to improve their status in the meantime, and rates for blacks will probably not remain constant in the future.

Time dimension shows how fast or slow racial indicators are converging

An attempt was made to select yardsticks of social and economic activity that could be easily updated. This is important because the behavior of some of the indicators has already shown some change since 1968, most notably in the area of unemployment.

The white jobless rate of 4.9 percent in 1960 fell to 3.2 percent by 1968. Nonwhites started the period at 10.2 percent, finished at 6.7 percent, about the same rate of reduction as for the whites. The actual gap in this case decreased, from 5.3 percentage points in 1960 to 3.5 percentage points in 1968. The trend of this indicator, had circumstances remained unchanged, would have brought the nonwhite unemployment rate down to the 3.2 percent white level by 1982.

This cyclical effect takes on added significance in light of the report's chapter by Garn discussing the movement and prospects for more equality between black and white income distribution. While noting that the 1960-68 period saw improvements, the changes "have all been dependent upon rapid rates of economic growth and low national unemployment rates."

Closing black-white gaps tied to nation's economic health

Garn concludes, therefore, that there is "little ground for optimism or complacency if the national growth rates decline and unemployment rates rise, as they did in 1970, unless alternative means are found to narrow the income gaps. The effect of such a deteriorating situation will be relatively more serious for nonwhites than for whites and the gains seen may well be lost in a period of economic decline." □

Gearing Up for Peace

(Continued from page 2)

to Bergsman, if appropriate new priorities are coupled with sound economic policies.

Some occupational categories would suffer a net decline in jobs, and many people in the hardest hit of these would have to change occupations. Meanwhile, in other job categories, there would be shortages of qualified workers. Some localities would suffer substantially increased unemployment. Some highly specialized business firms might not be able to adapt.

The biggest problem Bergsman finds with the bills already introduced to deal with conversion relates to their scope. Most are designed to help a particular category of workers, particular communities or specific companies. Does a worker unemployed because of conversion deserve more help than one who is unemployed for other reasons? Should we try to maintain the economy of every community in the country? And if a firm cannot compete as priorities change, should it be subsidized?

Bergsman does not see the answers to these questions as a flat no, but he does argue for the adoption of sound national policies which, while helping those who are displaced, would be of benefit to the entire community. □

About the Institute: The Urban Institute is a nongovernmental, nonprofit research organization established in 1968 to study problems of the nation's communities. It cooperates with federal agencies, states, cities, associations of public officials, the academic community and other researchers.

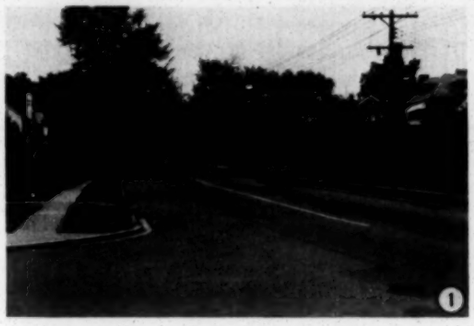
About Search: A bimonthly that supplements and summarizes many of the reports, papers, reprints, seminars and other communications of the Institute. Research findings and opinions, representing a broad range of interpretations, reflect the views of particular authors and are offered as an independent, nonpartisan educational service. Editor, Walter Rybeck. For publication lists and other information, write: B. J. Stiles, Director of Publications.

Operation Clean Sweep

Photo rating system used in anti-filth campaign

In mid-August the District of Columbia launched an intensive three-month campaign to clean its streets and alleys. James P. Alexander, Director of the District's Department of Environmental Services, explained that Operation Clean Sweep was intended to break the "cycle of filth" that plagues so many cities.

For almost a year before the campaign started, Alfred Schwartz, Louis H. Blair and Alease Vaughn of The Urban Institute worked with District personnel to help develop a practical set of procedures to permit a local government to evaluate systematically its solid waste collection program. This effort in Washington is based on earlier research undertaken by the Institute in this field.



One photo guiding inspectors in rating streets—this shows cleanest category

Operation Clean Sweep proceeds for a week or two through each of the city's nine service areas, using a massive concentration of men and equipment. A week before this occurs, an inspection team goes through the area, systematically rating the cleanliness of streets and alleys. The week following the clean-up, the area is re-inspected using the same procedures so that a before-and-after record is developed. About two months later, the process will be undertaken again to evaluate whether improvements in sanitation are achieved and maintained.

A visual rating system was devised with four sets of photos each for streets and for alleys. These define refuse conditions as clean, moderately clean, moderately littered and heavily littered (see two examples). In addition, other measurements of waste collection effectiveness are advised, including surveys of citizen satisfaction.

Early in the experiment phase, filling out handwritten rating forms proved too time-consuming for traveling inspectors. Tape recorders were substituted that inspectors could use while driving along at about 15 miles an hour, increasing locations covered from 60 to 200 or 300 a day. The ratings are transcribed and tallied by office clerks.

Abandoned autos and fire, health and safety hazards also are being reported with these procedures. The measurement system is precise enough, Schwartz is convinced, so that, with minor modifications, it could be used further to help determine causes of filth—for instance, whether it stems from littering by transients, poor use of trash containers by residents, or careless operations by sanitary crews. The information produced should lead to substantial improvements in dealing with solid waste collection problems.

Alleys like this are rated 4, the worst condition, in D.C. war against filth

District of Columbia officials believe that Operation Clean Sweep will have a marked impact on the capital city. They are hopeful that continued use of the ratings and analytic techniques developed by the Institute after the campaign will then sustain the higher levels of street and alley sanitation. The rating system itself will test whether these aspirations are well founded. □

Universities and PPB

Training aimed at local officials must overcome certain handicaps

Institutions of higher learning can play a vital role in helping local officials learn to apply the analytic techniques involved in Planning-Programming-Budgeting (PPB) systems.

Academic and government experts have developed and participated in PPB training efforts. When brought together by the Urban Institute to review this experience, they pointed out however that more attention needs to be given to a communications gap between professors and trainees.

The academics, needed for their background in analytic methodology, frequently lack sufficient knowledge of the programs and problems faced by the government officials who come to them for training. The trainees, on the other hand, often lack the academic background to fully grasp the approaches being taught.

These and other difficulties—and proposals for overcoming them—are described in the Institute report, *University Training in PPB for State and Local Officials.* The need for better illustrative training materials is cited by university participants in these programs as a major handicap. For this reason, two PPB studies applied to specific local government problems are included in the report. □

Selected Institute Publications

Introduction to Sample Surveys for Government Managers, by Carol H. Weiss and Harry P. Hatry, (72-108-65) 48 pp., $1.50 / **The Unemployment-Inflation Dilemma: A Manpower Solution,** by Charles C. Holt, C. Duncan MacRae, Stuart O. Schweitzer, Ralph E. Smith, (38-350-27) 112 pp., $2.95 / **Property Taxation, Housing and Urban Growth: With Attention to Tax Reform and Assessment Modernization,** Walter Rybeck, Moderator, (32-112-15) 72 pp., $2.50 / **Blacks and Whites: An Experiment in Racial Indicators,** by Michael J. Flax, (85-136-5) 79 pp., $1.50 / **Measuring Effectiveness of Local Government Services: Solid Waste Collection,** by Louis H. Blair, Harry P. Hatry, Pasquel A. DonVito, (37-108-67), 36 pp., $2.00 / **The Economic Impact of Disengagement in Vietnam,** by Joel Bergsman, (100-2) 37 pp., $2.00.

Information about academic and quantity discounts available on request.

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THE CITY GOVERNMENT AND MINORITY GROUPS

PI

INTERNATIONAL CITY MANAGEMENT ASSOCIATION

Political Sci - Local Govt.

GOALS • GENERAL DESCRIPTION

PROFESSIONAL DEVELOPMENT

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ICMA GOALS

- To strengthen the quality of urban government through professional management.
- To be the professional and educational Association of appointed urban managers.
- To strengthen the competence of appointed urban managers and to ensure qualified talent to meet urban government needs.
- To contribute to the understanding and resolution of urban issues.
- To provide information and analysis of data, management ideas, and methods for urban government management and to stimulate and to participate in the development and translation of new concepts for urban government management.

GENERAL DESCRIPTION

The International City Management Association is a professional membership organization of chief appointed management executives in cities, towns, townships, villages, counties, and councils of governments. The purposes of ICMA are to increase the proficiency of city managers and other administrators and to strengthen the quality of urban government through professional management.

To meet its objectives ICMA carries on a broad range of activities which include research, publications, and professional development. Aware of the challenges of urban living, ICMA seeks to meet the future by dissemination of information, the stimulation of ideas, and the development of new concepts and methods of urban management and organization. To that end it offers its services to all persons interested in municipal management.

ICMA maintains administrative relationships with federal agencies and with university and public interest groups serving federal, state, and local officials. Through task forces, special committees, and informal consultation, ICMA members and staff work on matters of common interest with public and private groups concerned with urban affairs.

ICMA is a professional organization in the best sense of the term. Its members are men and women of developed skills and abilities serving their fellow man through their commitment to democratic local government. The quality of local government is judged by two measures: high quality management and administration and the advancement of a responsive and dynamic democratic process.

GOALS • GENERAL DESCRIPTION

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ICMA SERVICES

The strength of the Association rests in the individual member — and how well he does his job in his community. To further these efforts, ICMA conducts a wide variety of programs in professional development, information, and publications.

PROFESSIONAL DEVELOPMENT

The Association works closely with universities, colleges, and junior colleges in efforts to interest young people in local government careers and in planning and sponsoring in-service training and career development programs. These cooperative efforts include preparing study guides, developing and revising training texts, sponsoring seminars, and awarding certificates.

The Institute for Training in Municipal Administration helps city and county officials apply tested procedures to local problems through fifteen correspondence courses. Since the Institute was founded in 1934, more than 50,000 local government employees have been enrolled. The Institute courses are built around a series of books, the Municipal Management Series, developed specifically by ICMA for training administrative personnel. These courses are available both for group and individual enrollments and cover general management, supervision and leadership, police, fire, planning, and other subjects.

The Association continually is developing conferences and short courses in response to current developments. The Advanced Management Training Program gives participants an opportunity to examine municipal management in terms of practical experience. Urban Policy Seminars, conducted in cooperation with the Brookings Institution, are open to urban administrators, school superintendents, city planners, and others to explore the implications of broad urban problems on specific aspects of the management job. Other special programs have been held on computers, information systems, and systems analysis in various parts of the country.

The Association is vitally interested in encouraging young people to make local government a career. Summer internship programs are developed in coordination with other groups so that college students can get on-the-job experience in city halls. College visitation programs permit city managers and other urban administrators to confer with students on local government careers.

Cooperative relationships are continually being developed for a variety of training programs with junior and senior colleges and universities in all parts of the country.

PROFESSIONAL DEVELOPMENT

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INFORMATION SERVICES

ICMA has always been a leader among local government associations in compiling, analyzing, and publishing information for administrators. The *Municipal Year Book*, a statistical compendium issued annually since 1934, is the backbone of a wide-ranging program that includes monthly research reports, monthly statistical data reports, special computer tabulations from ICMA's data files, and inquiry services. ICMA's information program is built around two subscription services.

MANAGEMENT INFORMATION SERVICE. MIS assists officials in more than 1,500 subscribing cities and counties through monthly research reports and information by mail, telegram, or telephone. The service is available for two groups of cities — over and under 25,000 population.

URBAN DATA SERVICE. Launched in 1969, this is a fast-reacting information program that can, within hours, put facts and figures at your disposal. Subscribers receive timely monthly reports and access at cost to computer tabulations that are tailor-made for individual requirements.

PUBLICATIONS

Regular ICMA publications include: *Public Management*, the Association's monthly magazine which is dedicated to serving the urban administrator; the semimonthly *ICMA Newsletter* which brings timely Association news to members as well as information on administrative appointments and positions open in urban management; *Career Topics*, a monthly publication on information for administrators to use in their personal development; the *Municipal Year Book*; and several annual directories and special publications.

In addition to these regular publications, other books, monographs, and special reports are issued to serve the Association program, including 15 books in the Municipal Management Series that provide the basis for the correspondence training program; the ICMA Research Series, monographs that have been commissioned by ICMA on specific urban problems; public information folders and bulletins; reports on the municipal management profession; and special reports.

The Municipal Management Series includes training books in general management, supervision, police, fire, planning, library administration, public works, and other subjects. These titles, some of which are in their sixth and seventh editions, have been developed to serve administrators and emphasize common elements of executive management.

An ICMA publication list, showing all titles and prices, is available on request.

INFORMATION SERVICES • PUBLICATIONS

MEMBERSHIP

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MEMBERSHIP

ICMA membership, available for anyone involved or interested in local government administration, totals almost 5,000 persons. Nearly 2,000 are management executives actually in the service of a municipality as managers, chief administrative officers, or directors of councils of governments. The remainder includes administrators of municipalities not recognized by the Association as providing for positions of overall professional management, professors, students, corporation officers for urban programs, employees in state offices for local government, and other persons interested and involved in local government.

Membership classifications are in two broad groups: corporate and noncorporate. Corporate Members are eligible to vote for and hold Association office.

CORPORATE MEMBERS

MEMBER — City, town, and county managers and administrators, chief administrative officers in cities, counties and towns, and directors of councils of governments. They must have served in a municipality or a council of governments which is recognized by the Association as providing for a position of overall professional management[1] for at least three years and have subscribed to the Association's Code of Ethics. Their applications have been endorsed by two Members in good standing and published in the *ICMA Newsletter* for review prior to appointment.

ASSOCIATE MEMBER — Includes two groups:

1. City, town, and county managers and administrators, chief administrative officers in cities, counties, and towns, and directors of councils of governments who meet all qualifications for Member except that they have not completed three years of service.
2. Administrative assistants, assistant city managers, assistant administrators, assistant directors of councils of governments, and persons holding similar responsibilities for a two year period. Their applications must be endorsed by two Members or Associate Members, one of whom is the applicant's immediate superior who has certified that the applicant holds significant general administrative responsibility in a municipality or council of governments which is recognized by the Association as providing for a position of overall professional management.[1]

NONCORPORATE MEMBERS

COOPERATING MEMBER — Persons who by personal attainment and interest are eligible to cooperate with practicing managers or administrators in the advancement of professional knowledge and practice.

JUNIOR MEMBER — Persons active in some branch of public administration for at least two years or who have graudated from or are students in a course in public administration. Applicants for Junior Membership have not yet reached the age of 26.

HONORARY MEMBERS — Honorary members have been elected by a three-quarters vote of the Executive Board and a majority of the Corporate membership attending an annual conference. They have been elected because of their distinguished public service and are not otherwise eligible for Corporate membership.

[1] Recognition of a municipality as providing for a position of overall professional management is the procedure the Association uses to determine whether a municipality or a council of governments provides an environment in which a professional administrator is able to make a professional contribution to the quality of administration and management of a local community. It is necessary that certain requirements for his appointment and specific responsibility and authority characterize the position. An ICMA statement, Criteria for Recognizing Cities with Overall Management, is available on request.

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GOVERNANCE OF THE ASSOCIATION

The governing body of ICMA is the Executive Board. Its members consist of a president, eleven vice presidents elected regionally, and three past presidents. The President and five or six of the vice presidents are elected each year at the annual conference by all Members and Associate Members in attendance. All officers are Members and are actively serving in a municipality. The Executive Director is an officer of the Association and serves at the pleasure of the Executive Board. He is responsible for the management of the Association's affairs and activities.

There are state associations in most of the states in the United States and in Quebec and Ontario in Canada. Most of the Association's activities are conducted in conjunction with state associations in order to maintain a close relationship with individual members. Other ways by which individual members become actively involved include service on task forces and special study committees, service on committees at the state, regional and national level, and personally bringing matters to the attention of the officers.

ICMA actively pursues constructive and meaningful participation of the membership at the sensitive decision points in program and policy development. Most of the professional services have the benefit of a membership advisory committee and proposals for important new activities and services are usually referred to *ad hoc* committees of members. In this manner professional insight and membership responsiveness are maintained.

CITY MANAGEMENT CODE OF ETHICS

THE PURPOSE of the Internationla City Management Association is to increase the proficiency of city managers, county managers, and other urban administrators and to strengthen the quality of urban government through professional management. To further these objectives, certain ethical principles shall govern the conduct of every member of the International City Management Association, who shall:

1. Be dedicated to the concepts of effective and democratic local government and believe that professional general management is essential to the achievement of this objective by responsible elected officials.

2. Affirm the dignity and worth of the services rendered by government and maintain a constructive, creative, and practical attitude toward urban problems and a deep sense of his social responsibility as a trusted public servant.

3. Dedicate himself to the highest ideals of honor and integrity in all public and personal relationships in order that he may merit the respect and confidence of the elected officials, of other officials and employees, and of the public which he serves; believe that personal aggrandizement or profit secured by confidential information or by misuse of public time is dishonest.

4. Submit policy proposals to elected officials, provide them with facts and advice on matters of policy as a basis for making decisions on community goals, and defend municipal policies adopted by elected officials.

5. Recognize that elected representatives of the people are entitled to the credit for the establishment of municipal policies; credit or blame for policy execution rests with the member.

6. Make it his duty continually to improve his ability and his usefulness and to develop the competence of his associates in the use of management techniques.

7. Keep the community informed on municipal affairs; emphasize friendly and courteous service to the public; and recognize that the chief function of local government at all times is to serve the best interests of all the people.

8. Resist any encroachment on his responsibilities, believing he should be free to carry out official policies without interference.

9. Handle all matters of personnel on the basis of merit so that fairness and impartiality govern his decisions pertaining to appointments, pay adjustments, promotions, and discipline.

10. Seek no favors, and handle each problem without discrimination on the basis of principle and justice.

This code, originally adopted in 1924 and amended in 1938 and 1952, was revised again in 1969 and approved by vote of the members of the International City Management Association.

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For many years ICMA stood for the International City *Managers'* Association. On July 1, 1969 the constitution was amended to change our name to the International City *Management* Association. At the same time the qualifications for membership were changed so that all persons working as professionals in overall management positions in urban areas could be included in the professional association. Prior to this time full membership was limited to city managers serving in communities having the council-manager plan. The Association continues to view the council-manager plan as a superior form of local government organization and further recognizes that there are alternative means of providing for professional management positions in local government.

Further information can be obtained from:

The International City Management Association
1140 Connecticut Avenue, N.W.
Washington, D.C. 20036
(202) 293-2200

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Civil Liberties

SCIENCE

23 July 1965
Vol. 149, No. 3682

Stamler vs. HUAC: Heart Specialist, Called by Committee, Responds by Challenging HUAC's Legality

Encounters between scientists and congressional committees investigating alleged subversion—common in the 1950's when McCarthy and McCarthyism seared university campuses—have today become something of a rarity. One exception is the case of Jeremiah Stamler, M.D., whose current involvement with the House Committee on Un-American Activities or, as it is commonly called, HUAC, is part of a new chapter in the committee's history.

Stamler, 45, is a well-known heart specialist with impressive professional credentials. He is currently an employee of the Chicago Board of Health, where he is director of the Heart Disease Control Program and the Division of Adult Health and Aging, and executive director of the Chicago Health Research Foundation, the Board's research arm. He is also an assistant professor in the department of medicine at Northwestern University Medical School, and Western Hemisphere editor of the *Journal of Atherosclerosis Research*. Since 1949, the year after he was licensed to practice medicine, Stamler has published over 150 articles on diseases of the heart and blood vessels, and he is also the author of several books. He is currently the principal investigator on three research grants awarded by the National Heart Institute of the National Institutes of Health, where his activities are very highly regarded, and is at work on a number of other projects as well.

Early in May 1965, on the same day that he was named winner of the Albert Lasker Award in Medical Journalism for his co-authorship of a series of articles on the prevention of heart disease, Stamler was subpoenaed to appear before HUAC during the committee's planned stint in Chicago to investigate an alleged resurgence of Communist activities there. Mrs. Yolanda F. Hall, a research nutritionist associated with Stamler at the Board of Health, was also ordered to appear. The committee never revealed why the two had been called. Their lawyers claim that the committee was attempting to deter Mrs. Hall from involvement in civil rights activities in her community, by harassing both her and Stamler, a close professional associate. The names of the subpoenaed witnesses were released to the Chicago press, and Stamler, the most eminent of those called, was immediately engulfed in headlines announcing "City Doctor Gets Red Quiz Subpoena," "Heart Expert Subpoenaed in Red Quiz," and so forth. Most newspapers featured Stamler's name in the lead paragraphs of their stories; at least one ran his photograph as well. (In response to the publicity—and the concern of his employers—Stamler signed what amounted to a loyalty oath for the Chicago Board of Health. Subsequently—after the hearings—the Board in effect gave him a vote of confidence and voted to retain his services.)

Such jolts to individual lives have not been uncommon in the years that HUAC has been at work. What was uncommon was Stamler's response to it. He and Mrs. Hall, after conferring with many people, decided neither to go along with the committee nor, as often occurs in such cases, to avoid testifying by taking the Fifth Amendment. Instead they chose to attempt a counteroffensive, and they brought a suit challenging the committee's constitutionality. In this action they had the support and counsel of one of Chicago's best-known lawyers, Albert E. Jenner, Jr. Jenner, who is a Republican, is, among other honors and offices, a past president of the Illinois Bar Association. He was also a senior counsel to the Warren Commission.

The day before the hearings were to begin, Jenner brought a motion before the Chicago federal court asking that the committee be declared unconstitutional and that it be enjoined from holding hearings. The petition was overruled—chiefly on the ground that it was premature—and the hearings began as scheduled. The case is now pending before the U.S. Court of Appeals, and will probably be argued there around October.

The essential argument in the case is that Rule XI of the House of Representatives, a rule adopted in 1946 establishing HUAC, violates the U.S. Constitution. According to the Rule, HUAC is authorized to investigate (i) "the extent, character, and objects of un-American propaganda activities in the United States," (ii) "the diffusion . . . of subversive and un-American propaganda that . . . attacks the principle of the form of government as guaranteed by our Constitution," and (iii) "all other questions . . . that would aid Congress in any necessary remedial legislation." The Jenner brief argues that Rule XI violates the First and Fifth Amendments because "it is unduly vague, uncertain and broad." Rule XI, the argument continues, has authorized the "creation of a governmental mechanism with the sole purpose . . . of forcing public disclosure of beliefs . . . and associations of private citizens which may be unorthodox or unpopular, resulting in public stigma, scorn and obloquy;" it authorizes "compulsory examination of witnesses" so all-inclusive that it violates the due process clause of the Fifth Amendment; and "it violates the prohibition against Bills of Attainder . . . in that it authorizes and provides for legislative punishment."

Further complaints contained in the brief were that the subpoenas were not issued for "any legitimate legislative purpose"; that Hall and Stamler were not informed as to the purpose and scope of the hearings; that the committee, in calling open hearings, violated its own rule that testimony likely to be defamatory be taken in closed sessions; and that the advance publicity (for which the brief blames the committee) was improper.

Unfortunately, the hearings themselves did more to verify Jenner's arguments than to refute them. To judge from the hearing transcript, the 3-day sessions were rather like a purge trial staged by Ringling Brothers. Jenner, writing to Chicago's Mayor Daley after the hearings, said that he observed "many shocking occurrences, all of which were designed to fortify us in our determination to test the legality of the Committee and to challenge directly the tactics . . . of intimidation and public exposure for exposure's sake." Among objections to the proceedings Jenner cited were the following:

- The committee claimed to be seeking information as the basis for legislation, "yet the only two witnesses who testified . . . were paid informers for the FBI for many years, and the Committee had already heard their testimony in executive session."
- The committee refused to hear testimony about Stamler and Mrs. Hall in executive session.
- The committee mistreated witnesses' attorneys and "verbally abused" the witnesses themselves.

In addition, Jenner stressed that not a single witness during the 3-day hearings referred to Mrs. Hall at all, and only one witness mentioned Dr. Stamler. All other references to Stamler and Hall "were merely assertions or innuendos contained in questions of Committee counsel put to witnesses who declined to answer. . . ."

The one reference to Stamler, Jenner pointed out, was a "hearsay statement as to something which [the witness] recalled hearing another person say in 1959."

None of these arguments against HUAC is startlingly new. They have been heard before from individuals who have felt similarly victimized by the committee's operations from a legion of disinterested outside critics, and in occasional court cases. They have also been heard on the floor of Congress, where moves either to abolish the committee entirely or at least to arrange an official confrontation between the committee and its critics have been slowly but steadily gaining ground. Some have attributed the committee's recently announced decision to investigate the Ku Klux Klan to an attempt on the part of committee chairman Edwin Willis (D–La.) and some of its more moderate members to shed its "red-baiting" image and prove its wider usefulness. As to whether HUAC will really change its spots, most observers seem very doubtful; and while the 58 votes last February in favor of an anti-HUAC move in the House is some measure of how much the opposition has grown (opponents in the past few years have rarely numbered more than a handful), it is also some measure of the reluctance of legislators to seem to condone "subversion." A vote against HUAC, the reasoning seems to be, is an apparent vote "for communism." Anti-HUAC sentiment seems to have been increased by the events in Chicago —the sessions were characterized by organized demonstrations, verbal hostilities, and other indices of mutual disrespect between the committee and the audience. But it appears, nonetheless, that HUAC is still snugly ensconced and that it will be around—and powerful for some time.

The difficulty of the position taken by Stamler and Mrs. Hall should not be underestimated. To avoid rendering moot the constitutional case pending in the Court of Appeals, Stamler and Mrs. Hall were advised to decline to answer the committee's questions. In addition, they expressly refused to claim the Fifth Amendment privilege against self-incrimination. Instead, they both submitted brief statements, then left the hearing room—and were threatened with contempt citations as a result.

Science and HUAC

In a statement addressed to scientists and physicians, Stamler argued that the operation of HUAC was a threat to the independence of science. The statement reads, in part:

> As a working scientist, I learned early that false initial assumptions inevitably lead to false conclusions and erroneous proposals. Thus, as long as the false notion persisted—prior to Galileo, Kepler and Copernicus—that the sun rotated around the earth, there could be no real science of astronomy. As long as the belief held on—prior to Harvey—that the blood surged to and fro, and did not circulate, there could be no real science of physiology or medicine. As long as the superstition held sway that persons with mental illness were possessed by devils, there could be no scientific psychiatry. And in my own field of research on atherosclerosis, there could be no substantial progress until the false premise had been dispelled that this was not a disease but rather an aspect of normal aging.
>
> The Committee on Un-American Activities—I am deeply convinced—is in profound error precisely because it proceeds throughout on the basis of totally erroneous premises. Its fundamental false assumption is that it has the right and ability to define Americanism, and to fix its criteria for Un-Americanism—and on the basis of these arbitrary self-selected standards ferret out "Un-Americans."
>
> As already emphasized, the adoption or imposition of false premises and hardened dogmas in science has a grossly debilitating effect. It is a truism that the forward advance of science—including biomedical science—in its continuously expanding effort to master nature for the benefit of mankind, requires a healthy free intellectual climate, a true open market place—national and international—for the exchange and flow of ideas. Repressive political interference in science can have only one effect—to stifle and hold back the acquisition of vital knowledge, to do great harm to research programs that have the potential to bring great benefit to all Americans and all humanity. This threat is very real and concrete in the present instance.

An additional factor which influenced his decision, Stamler said recently, was a belief that the particular projects in which he is engaged might have suffered had the committee been given an opportunity to put the spotlight on the federal and other public institutions that support his work.

Some might disagree with Stamler's conclusion that HUAC threatens science, either in general or in his particular case. Federal agencies have withstood similar sniping in the past, and the city of Chicago has indicated that it intends to continue its support. Nonetheless, although it is too early to judge how far it will spread, the Stamler case seems to be arousing substantial interest in the academic community. A Legal Aid Fund has been established to help pay the legal costs, which, it is expected, may rise to the neighborhood of $50,000. The chairman of the fund is Paul Dudley White of Boston, and the treasurer is Robert W. Wissler, professor and chairman of the Department of Pathology at the University of Chicago. Mailings sent out by two independent groups of physicians and scientists in the Midwest have already brought in over $10,000 in contributions. In addition, a committee of well-known scientists and other academicians is in the process of formation, not only to support Stamler but to lead in the exploration and exposition of the constitutional principles that his case against HUAC poses.

—ELINOR LANGER

The Washington Post

WEDNESDAY, FEBRUARY 9, 1966 PAGE A20

Loyalty to What?

The House of Representatives once again must decide whether contempt for its Un-American Activities Committee necessarily constitutes contempt of Congress. We think that it does not.

The current contempt citations raise a special problem. They involve Dr. Jeremiah Stamler, a renowned heart specialist who is director of the Heart Disease Control Program of the Chicago Board of Health, and two of his professional associates. They declined, on advice of counsel and on asserted grounds of principle, to answer some abusive questions put to them by the Committee. They also filed an action in a Federal District Court—dismissed there but now pending before the U.S. Court of Appeals for the Seventh Circuit—challenging the Committee's constitutionality and seeking an injunction against enforcement of its authority.

Deferring all judgment on the motives and merits of this action, we think the House of Representatives ought to await a decision by the Court of Appeals—and by the Supreme Court, too, if it should come to that—before citing these persons for contempt. For the questions they raise are important and cry out for judicial determination. Moreover, this kind of civil action is a far better way to find out if a witness is obliged to answer committee questions than a criminal prosecution putting him in jeopardy of a prison sentence.

Years ago, Kenneth Keating, when he was in the House of Representatives, introduced a bill which would have required the House to go to a Federal Court for an enforcement order in the case of recalcitrant witnesses; this would have given the witnesses an impartial judicial decision as to the validity of the committee's questions and a chance to answer in the light of this knowledge. A witness refusing to answer after being ordered to do so by a court would, of course, be in contempt of court and punishable accordingly. This is at once more sensible and more civilized than a contempt citation by Congressmen blindly supporting one of their own committees.

In the Stamler case, HUAC violated its own rules by releasing the names of subpoenaed persons in advance of the hearings and causing grave injury to their reputations. It asked questions redundantly, although it was clear that the witnesses did not intend to respond, in an obvious effort to pillory them. And it refused their request to testify in executive session. These circumstances and tactics have led more than 100 eminent law school professors to join in a letter to all members of the House urging them to reject the contempt citations.

Congressmen owe a measure of loyalty, of course, to the committees they have established. But they owe loyalty also to the good name and the high traditions of the House of Representatives. For the sake of loyalty to the Un-American Activities Committee, they have voted contempt citations in more than 130 cases since 1950; and only nine of these have resulted in final convictions. And they have allowed this Committee, exercising the majestic investigating power of Congress, to browbeat, torment and intimidate witnesses in a manner reminiscent of the Court of Star Chamber which was abolished in 1641. Now would be a good time to call a halt to this tyranny.

The New York Times.

TUESDAY, FEBRUARY 8, 1966.

Where Does the Contempt Lie?

The House of Representatives votes tomorrow on a resolution to cite three Chicago residents for contempt of Congress for their refusal to testify before the Committee on Un-American Activities.

The committee wishes to cite Dr. Jeremiah R. Stamler, who has won awards for his research as head of the Heart Disease Control Program of the Chicago Board of Health, and two of his associates. They were subpoenaed to appear before the committee last May 25 as part of a series of hearings on "Communism in the Chicago area." The United States District Court refused to enjoin enforcement of the subpoena, but an appeal is now pending. More than 100 law professors have signed a letter stating their opinion that there is a reasonable prospect that the Supreme Court may uphold Dr. Stamler and his associates.

A contempt citation at this time would in no way clarify the important constitutional issues nor would it provide information for a committee of the House. A contempt citation is a serious action. Like a grand jury indictment, it is not definitive, but it begins a process of judicial action that can lead to fine or imprisonment and, at the very least, it damages one's personal reputation. When it cites for contempt, the House is exercising one of its gravest powers against a private citizen.

In the past fifteen years the Un-American Activities Committee has asked the house to cite 129 individuals for contempt and the House—routinely, mechanically, irresponsibly—has acceded to every request. Yet only nine of these citations resulted in final convictions.

Last week's action against seven leaders of the Ku Klux Klan was typical. Members of the House freely admitted that they had had no opportunity "to study all these citations, the statements of fact, or the hearings from which these citations have come," as one Representative expressed it. Yet the members shouted down a sensible proposal to refer the cases to a select committee for review and voted instead to send them on their way to the Justice Department.

There is neither necessity nor sound historical precedent for such conduct. The House runs the danger of bringing itself and its own procedures into contempt. That is a far deeper wound on the body of free government than any recalcitrant witness could inflict.

CHICAGO DAILY NEWS

Justice and Dr. Stamler

The House Un-American Activities Committee has delayed asking Congress for contempt citations against Dr. Jeremiah Stamler, heart disease authority, and two fellow Chicagoans who refused to testify at committee hearings. The pause should give the committee and its parent body time to review what we believe to be an ill-considered position.

Dr. Stamler, whose prominence makes him the principal target, has not taken the Fifth Amendment, and his counsel has said that he has no such intention. The physician's demurrer is based upon his contention that a lawsuit he has filed, challenging the constitutionality of the law establishing HUAC, should take precedence over the committee proceeding.

We believe that Dr. Stamler has taken a reasonable position in contending that it is premature for the committee to proceed when its very right to exist is in litigation.

Nor do we believe the Stamler suit, brought by a prominent Chicago attorney, Albert E. Jenner, is in the least frivolous. The HUAC methods have been under fire for years as denying accused witnesses rights they would have in any court of law. As one example: At last spring's hearings a committee lawyer called Dr. Stamler "one of those in charge of setting up the Communist Party underground" during the 1950s. Yet no witnesses and no evidence were introduced to support the charge. Another key question raised by Stamler's suit is whether public exposure is a lawful activity of a legislative body, particularly when, as the suit charges, a principal purpose of such proceedings is "to embarrass, ridicule and expose" persons named in testimony, but against whom no legal evidence has been found.

We are pleased to find some Chicago area congressmen of both parties—including Republican Donald Rumsfeld—joining in criticism of the committee's methods, and we hope their influence will help persuade House leaders to delay the contempt citation efforts until Stamler's suit is tried.

We also commend Mayor Daley and Dr. Eric Oldberg, Stamler's boss on the Chicago Board of Health, for refusing to be stampeded into firing Stamler from his city job, pending some concrete showing of culpability. And praise is due Bert Jenner for putting his own considerable prestige on the line to defend the principle of the presumption of innocence.

If HUAC is found to be a lawful body engaged in proper activities, there will be time enough for it to get back to the Stamler case, and we assume from his counsel's statement that the doctor will in those circumstances make good on an implied promise to speak out so long as legal safeguards, such as the right to cross-examine witnesses, are provided.

Meanwhile, it may be hoped that a public review of HUAC's methods will result, at the least, in a vigorous overhaul of committee methods, so that guilt-by-association and condemnation-by-innuendo can be replaced by methods that respect the fundamental rights and dignity of every American.

February 24, 1966

Dear Colleagues:

Enclosed is a copy of a statement that was sent to Congress from more than 100 professors of law, concerning the threatened contempt citation against Dr. Jeremiah Stamler and others who are testing the legality of the House Committee on Un-American Activities. (Background information on the legal suit of Dr. Stamler, heart researcher, is summarized in the attached article from Science.)

We are encouraged by the postponement of the vote on these citations, originally scheduled for February 9th.

Mounting public opposition, as reflected in the enclosed editorials from The New York Times, Washington Post and Chicago Daily News, can be decisive in finally defeating the citations.

We are asking our colleagues in the field of political science to join us in support of the law professors' letter to Congress. The enlarged list would be forwarded to every Congressman, as soon as possible in the days ahead.

Thank you for your interest.

D. F. FLEMING
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Vanderbilt University

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Albert A. Michelson Distinguished Service Professor of Political Science and Modern History
University of Chicago

DAVID B. TRUMAN
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Dean, Columbia College

THEODORE LOWI
Professor of Political Science
University of Chicago

C. HERMAN PRITCHETT
Professor of Political Science
University of Chicago

QUINCY WRIGHT
Emeritus Professor of International Law
University of Chicago

ROBERT G. McCLOSKEY
Professor of Government
Harvard University

I endorse the enclosed statement to Congress. Please list me as follows, for purposes of identification:

_____

_____

_____

(Please return to Theodore Lowi, Department of Political Science, Foster Hall, University of Chicago, Chicago, Illinois 60637.)

Dear Congressman:

The Committee on Un-American Activities has recommended that the House vote contempt citations for Dr. Jeremiah Stamler, Director of the Heart Disease Control Program of the Chicago Board of Health, his research assistant, Mrs. Yolanda Hall, and social worker Milton Cohen.

Dr. Stamler, Mrs. Hall, and Mr. Cohen were subpoenaed to appear before the Committee in Chicago on May 25, 1965. Despite Rule 16 of the Committee, forbidding any member of the Committee or its staff to make public in advance the name of any person subpoenaed, the fact that Dr. Stamler, Mrs. Hall, Mr. Cohen, and others, had been subpoenaed in a "Red Probe" was publicized in the Chicago press twelve days before the Committee's hearings began. On May 24, Dr. Stamler and Mrs. Hall, represented by Albert E. Jenner, Jr., former President of the Illinois Bar Association, initiated an action in the Federal District Court in Chicago to enjoin enforcement of the subpoenas. Injunction was denied and an appeal is now pending in the United States Court of Appeals for the Seventh Circuit. Mr. Jenner has requested that action on the contempt citations be postponed until the appeal is determined.

On May 27, after request persuant to Committee Rule 26(m) for an executive hearing for themselves and any others who might testify concerning them had been denied, Dr. Stamler, Mrs. Hall, and Mr. Cohen, on advice of counsel and without reliance upon the privilege against self-incrimination, refused to testify before the Committee.

Almost eight months later, on January 13, 1966, the Committee voted to seek citations against three persons -- along with seven members of the Ku Klux Klan who have only recently refused to answer the Committee's questions.

Because of the Committee's disregard of its own rules, because the entire matter may be rendered moot by pending litigation, and because this is merely one more instance of this Committee's continuing abuse of its powers to no apparent legitimate legislative purpose, we urge you to vote against all the contempt citations.

ENDORSERS OF THE PETITION PROTESTING THE CONTEMPT OF CONGRESS CITATIONS RECOMMENDED BY THE HOUSE UN-AMERICAN ACTIVITIES COMMITTEE OF DR. JEREMIAH STAMLER, MRS. YOLANDA HALL, AND MR. MILTON COHEN.

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ACLU of Ga — 1965-1966-1967 release

EU — Civil Liberties — Invasion of Privacy

Watch Out! That Goldfish May Be Bugged!

EDITOR'S NOTE—The next time you take the olive out of the martini look at it closely—it may be bugged. In fact one specialist in evedropping claims he can wire a fish for sound. Congressmen, jurists and civil libertarians are becoming increasingly concerned with what they consider the destruction of one of man's greatest treasures—his privacy. Here's why.

By JULES LOH
Associated Press Writer

"The most comprehensive of rights and the right most valued by civilized man," runs a celebrated dissent of the late Justice Louis D. Brandeis, is "the right to be let alone."

As if in mockery, an ever-multiplying horde of surreptitious snoopers is gnawing away at the privacy of citizens today with the eagerness of an army of cornborers turned loose in Iowa. Areas of their lives most civilized men consider nobody else's business indeed have become the staple of a big business, which is getting bigger — while nearly all its victims remain blithely unsuspecting.

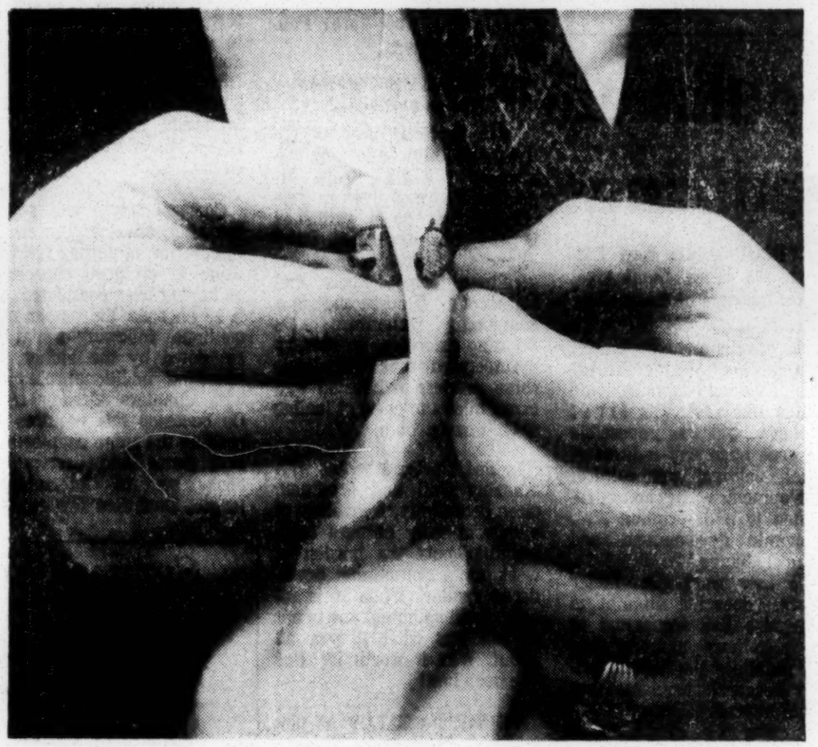
"The average urban citizen," says Bernard Fensterwalt Jr., chief counsel for a Senate subcommittee investigating invasions of privacy, "can't go a single day without being spied on, listened to, or peeped at."

IF THAT grim picture seems overdrawn, consider some actual examples.

A New York department store has hidden tiny microphones on the counter to broadcast customers' conversations to a back room where the eavesdropping salesman can decide what pitch to make. Other stores have two-way mirrors in the women's dressing rooms — to prevent shoplifting, of course. Closed-circuit television cameras scan the aisles, loading docks and employes' lounges of supermarkets and stores in a growing number of cities, and any big company that doesn't keep a concealed camera to snap your picture when you cash a check just doesn't have enterprise.

"The frightening thing about it," says Rep. Cornelius Gallagher (D-N.J.), "is that people are becoming conditioned to this sort of snooping as a normal part of their existence. We're getting dangerously close to Orwell's world of 1984."

THAT WORLD, as the novel envisioned it, was one in



Associated Press Photos

FANTASTIC TINY DEVICES MAKE EAVESDROPPING EASY
This Buttonhole Mike Picks Up Sounds Within 10 Feet

ters," and others of similar genre.

"To put this sort of information down on a formal test which can be kept in a permanent record is an outright invasion of privacy," says Rep. Gallagher.

GALLAGHER HEADS one of no fewer than five congressional subcommittees sufficiently alarmed at the steady erosion of privacy to be examining one or another aspect of the problem.

There are, indeed, many aspects, but one concern most of the subcommittees seem to share is the apparent ease with which subscription lists, personal files and the like float about the country.

A subcommittee headed by Sen. Edward V. Long (D-Mo.) has turned up an incident in which a headmaster was hounded out of his high school post by a group of parents who were suspicious of his masculinity. It turned out that a student, as a prank, had subscribed to a questionable magazine in the headmaster's name. The senator's files don't reveal how the parents learned of the subscription.

THE TRADE in questionnaires, name lists and the like, though flourishing as never before, is one in which most who resort to snooping

build his own miniature transmitter from diagrams out of a hobby magazine and $20 worth of parts.

These tiny bugs broadcast their pilfered conversations over an FM frequency which any properly tuned radio can pick up. Most, though, work in conjunction with a small tape - recorder placed a block away, or two blocks, or 10. The recorder turns on by itself when voices start, shuts off when they stop. No wasted tape.

TRANSMITTERS—powered by second - generation transistors so tiny 50,000 can fit in a thimble, or by integrated microcircuits which are even tinier and draw their energy from the sun, or a light bulb, or a nearby radio station — hardly exhaust the catalogue of modern snooping devices.

Other gadgets include tubes you can look through to see in the dark (in Orwell's world, nightfall offered some respite); invisible laser beams you can bounce off a window to overhear the conversation in a distant building; secret signalers to tell your partner, through mild electric shocks, that you hold three aces.

While few would try to rationalize cheating at cards, most who resort to snooping

terly innocent persons who phone him, perhaps including his doctor, lawyer of minister."

ANOTHER apparent danger is that when a practice such as eavesdropping becomes a matter of routine, controls tend to fade away. Internal Revenue agents once kept a wiretap on a Miami racketeer for 13 months. It was no bother at all. They simply hired a $100-a-week informer to do their listening for them.

If those trying to restrict police eavesdropping seem to be fighting an uphill battle, those struggling to curb business spying resemble Canute trying to hold back the sea. Industrial espionage has become so commonplace businessmen now refer to it casually as I.E.

No executive is likely to admit publicly that HIS company would do anything unethical, certainly not, but a great many seem to feel they have reason to mistrust the competition — not to mention the employes and the customers. Industrial security specialists have their own trade association, and displays of the latest electronic wares are a big feature at their meetings. Barry Levine of New York, whose Zelex

New York Stock Exchange. Another agency, Bondwitt Sound Engineering Co., has found evidence of spying in about 12 per cent of its routine sweeping assignments. Jamil, who insists "there is no such thing as privacy," firmly believes that before too long a tap-detector will be standard equipment on executive telephones.

Bugging a board room is one matter, but apparently I. E. doesn't stop at that. Recently Lewis S. Rosensteil, president of Schenley Industries, Inc., discovered a bug in his office, a tap on his private phone — and a miniature transmitter embedded in the bar at his Florida home.

"WHEN A MAN is not free to speak his mind in the privacy of his own home," commented Rosensteil's congressman, Rep. Claude Pepper (D-Fla.), "he has lost the treasure of liberty. He is no longer a free man."

In 1950 Pepper, then a senator, conducted hearings on the problem of wiretapping in the District of Columbia. At that time, he recalls, "it seemed to us that wiretapping could be stopped by a minimum amount of restriction. We had no idea that wiretapping and electronic eavesdropping would become the big business it is today."

A minimum amount of restriction, ineffective at that, really is about all there is.

"IN THIS whole area of invasion of privacy," says Sen. Long, "we are in both a legal desert and a legal jungle." Not only is there a paucity of law, but what law there is is confusing."

A few years ago three private detectives were caught bugging a room at the Mayflower hotel in Washington where meetings were being held involving a $160 million gas distribution franchise. Two years later the detectives were convicted. Of what? Invasion of privacy? Trespassing? Nothing so logical as that. The best the prosecution could get them on was broadcasting without a license over an aircraft wavelength.

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IF THAT grim picture seems overdrawn, consider some actual examples.

A New York department store has hidden tiny microphones on the counter to broadcast customers' conversations to a back room where the eavesdropping salesman can decide what pitch to make. Other stores have two-way mirrors in the women's dressing rooms — to prevent shoplifting, of course. Closed-circuit television cameras scan the aisles, loading docks and employes' lounges of supermarkets and stores in a growing number of cities, and any big company that doesn't keep a concealed camera to snap your picture when you cash a check just doesn't have enterprise.

"The frightening thing about it," says Rep. Cornelius Gallagher (D-N.J.), "is that people are becoming conditioned to this sort of snooping as a normal part of their existence. We're getting dangerously close to Orwell's world of 1984."

THAT WORLD, as the novelist portrayed it, was one in which "you had to live — did live, from habit that became instinct — in the assumption that every sound you made was overheard. . . ."

With today's modern gadgets telephone tapping has become a game any number can play. Federal investigators have tapped the pay phones in lobbies of public buildings; and a survey showed not long ago that at least 5,000 telephones in Washington federal offices were tapped —not by enemy agents, but fellow bureaucrats. A San Francisco telephone company executive has estimated that 10,000 business firms in northern California secretly monitored the calls of their employes.

"THE MERE thought that someone may be eavesdropping on a conversation with one's wife or lawyer or business associate," says law professor Herman Schwartz of the State University of New York, "will discourage full and open discourse."

How widespread is today's assault on full and open discourse?

Even getting a drink at the office water cooler can harbor a hidden risk. In at least one instance the cooler was bugged. One executive of a large firm, bent on knowing what the employes were talking about, went so far as to hide tiny transmitters in the toilet paper rolls in the ladies' room. Yet another company bugged its desk calendars to make sure the clients were polite when customers came in to pay their bills.

PERSONAL FACTS many consider rather unimportant, when put together like a jigsaw puzzle can leave a person's private life utterly exposed.

Many existing dossiers contain personal information of the most intimate sort, gleaned from a variety of psychological tests administered to prospective employes or potential executives. One such test requires subjects to respond "without any thinking or deliberation" to a battery of statements including "I feel sure there is only one true religion," and "many of my dreams are about sex matters." This record is an outright invasion of privacy," says Rep. Gallagher.

GALLAGHER HEADS one of no fewer than five congressional subcommittees sufficiently alarmed at the steady erosion of privacy to be examining one or another aspect of the problem.

There are, indeed, many aspects, but one concern most of the subcommittees seem to share is the apparent ease with which subscription lists, personal files and the like float about the country.

A subcommittee headed by Sen. Edward V. Long (D-Mo.) has turned up an incident in which a headmaster was hounded out of his high school post by a group of parents who were suspicious of his masculinity. It turned out that a student, as a prank, had subscribed to a questionable magazine in the headmaster's name. The senator's files don't reveal how the parents learned of the subscription.

THE TRADE in questionnaires, name lists and the like, though flourishing as never before, pales in comparison to the opportunity for invading privacy which has unfolded with a new space-age industry called microelectronics.

For sheer diabolical efficiency, today's ultrasophisticated spying gadgets would beggar the imagination of an Orwell.

The device that monitors an astronaut's heartbeat can record with equal ease the voices in a conference room. The martini-olive transmitter with toothpick antenna was clever enough in its day, but that was a year ago. Today's transmitter can be, and is, disguised as a shirt button, fountain pen, sugar cube, wristwatch, tooth, or simply reduced to a size small enough to fit under a fingernail, or made of metallic thread and, yes, woven into a vest.

"DON'T BOTHER asking what's the latest device," says Ben Jamil, a 32-year-old enterpreneur whose New York showcases fairly bristle with all those little playthings. "Just tell me what you want done.

"I can bug a fish under water. Did you know fish squeak? You laugh, but I'm serious. I can find out for one fish what another fish's girl friend is doing — if you want to put it that way."

Jamil also can find out for the cat what the mice are doing. One of his customers wanted to take a vacation but couldn't bear to leave his help unwatched. For $1,000 Jamil outfitted him with an "infinity transmitter," a pocket-sized microphone and transmitter hidden within the office wall and attached to the telephone line...

FROM ANYWHERE in the United States the employer could dial the office number and activate the transmitter by blowing a specially-pitched harmonica into his end of the line. With no one the wiser, he could listen at leisure to all the conversation in the office. Coast-to-coast bugging.

Ordinary garden variety bug however, aren't nearly that expensive and can be just as wickedly efficient. A purposeful amateur can bug a room easily for less than $75 — or then "pilfered" conversations over an FM frequency which any properly tuned radio can pick up. Most, though, work in conjunction with a small tape - recorder placed a block away, or two blocks, or 10. The recorder turns on by itself when voices start, shuts off when they stop. No wasted tape.

TRANSMITTERS—powered by second - generation transistors so tiny 50,000 can fit in a thimble, or by integrated microcircuits which are even tinier and draw their energy from the sun, or a light bulb, or a nearby radio station — hardly exhaust the catalogue of modern snooping devices.

Other gadgets include tubes you can look through to see in the dark (in Orwell's world, nightfall offered some respite); invisible laser beams you can bounce off a window to overhear the conversation in a distant building; secret signalers to tell your partner, through mild electric shocks, that you hold three aces.

While few would try to rationalize cheating at cards, most who resort to snooping regard it as morally permissible in the circumstances or at least regrettably unavoidable because, after all, the opposition is doing it and one must protect oneself.

THIS IS THE reasoning generally advanced in the two sectors where electronic devices find their widest use: Business spying and law enforcement.

Wiretapping, of course, has come to be almost a police folkway and as the state of the art develops there seems little danger of the custom dying out.

Until last Summer, when Internal Revenue Commissioner Sheldon Cohen found out about it, the Treasury Department held classes in wiretapping (as well as lockpicking, bugging, and other trades) for government agents even though the department's own regulations expressly prohibited the practice.

Police authorities make persuasive arguments for "monitoring," as they refer to eavesdropping. Indeed Manhattan District Attorney Frank S. Hogan regards wiretapping as "the single most important weapon in the fight against organized crime."

ON THE OTHER hand a recent Senate inquiry showed that only one in three state attorneys general desired wiretapping authority — perhaps reflecting the once stated view of FBI Director J. Edgar Hoover:

"The discredit and suspicion of the law enforcing branch which arises from the occasional use of wiretapping," said Hoover, "more than offsets the good which is likely to come of it."

Hoover made the statement in 1940, but since then we have come a generation closer to 1984 and today's police officers who worry much about fetching discredit from that source are in little evidence.

"The hellish thing about wiretapping," says subcommittee counsel Fensterwald, "is that when you tap the phone of a known or suspected criminal you also invade the privacy of the many utis that when a practice such as eavesdropping becomes a matter of routine, controls tend to fade away. Internal Revenue agents once kept a wiretap on a Miami racketeer for 13 months. It was no bother at all. They simply hired a $100-a-week informer to do their listening for them.

If those trying to restrict police eavesdropping seem to be fighting an uphill battle, those struggling to curb business spying resemble Canute trying to hold back the sea. Industrial espionage has become so commonplace businessmen now refer to it casually as I.E.

No executive is likely to admit publicly that his company would do anything unethical, certainly not, but a great many seem to feel they have reason to mistrust the competition — not to mention the employes and the customers. Industrial security specialists have their own trade association, and displays of the latest electronic wares are a big feature at their meetings. Barry Levine of New York, whose Zelex Corp. markets "monitoring" equipment (businessmen, too, prefer the euphemism), also conducts seminars to teach his clients how to get the best results.

"BUGGING," philosophizes the 27-year-old Levine, "is not a game to its practitioners. It's a business and a profitable one. And fines—should a person be caught and convicted—must be reckoned on as a business expense."

Large corporations have become a fertile hiring market for former FBI agents; one, for example, has 32, another 10. Smaller companies generally hire private detective agencies to do their spying.

Many private agencies specialize in a particular business field. John J. Saviano, head of a specialized New York agency, says he has planted spies in 40 different drug companies. District Attorney Richard Gerstein of Miami, Fla., says he knows of detective firms caught in the ludicrous situation of installing protective equipment for one client to forestall the spying service they were providing for another.

"VISUALIZE, if you will," says Gerstein, "the happy hunting ground this provides for the electronic private eye as he sets 'em up and knocks 'em down."

Matter of fact this very thing happened to bug dealer Jamil, who also hires out as a debugger. "The toughest job I ever had," says Jamil, "was finding some bugs my meters said were hidden in a room. But I couldn't locate for the life of me. When I finally found them, they turned out to be my own stuff!"

A good measure of the extent of industrial spying is the boom in bug-detection equipment, and in a growing service called "sweeping" — checking out electronically board rooms, offices, executive suites.

NORMAN JASPAN Associates, one of the largest counter-espionage agencies, has 500 employes (listed as "management engineers") and claims that more than 100 of its clients are members of the really is about all there is.

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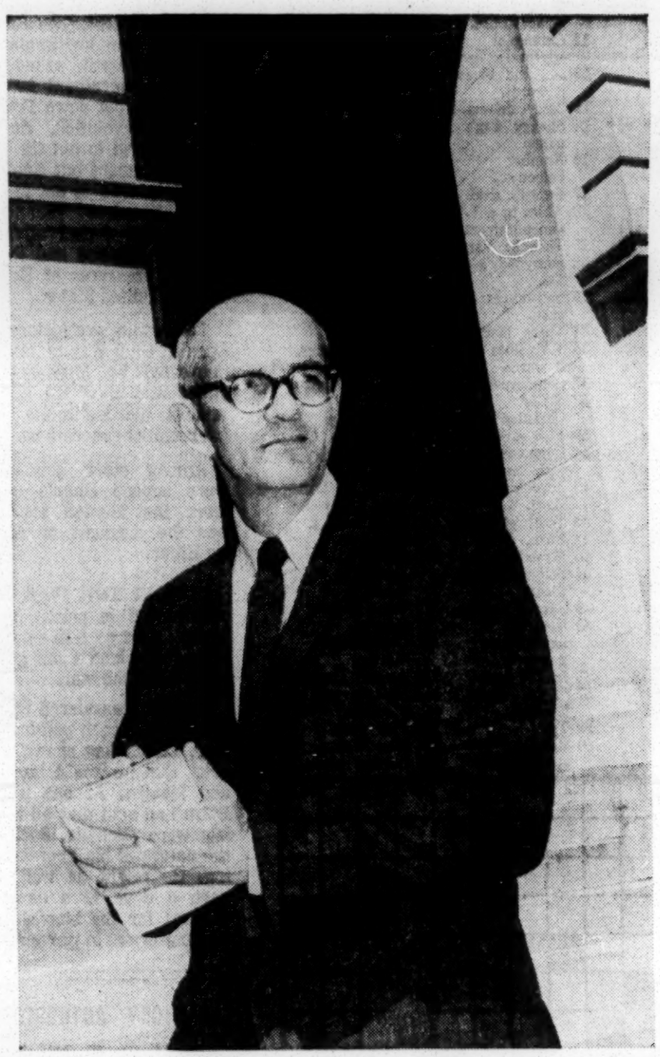

Sam Hopkins, Atlanta Constitution political editor, has been reporting from Capitol Hill since late 1961, covering state politics and reporting the actions of the Georgia legislature. In his column, "People and Politics," he stays on top of important political news to keep readers abreast of all developments which affect them and their pocketbooks. Newspapering was natural for him. It runs in the family. His great grandfather, W. L. Salisbury, was editor-owner of the Columbus, Ga. paper in the last century.

SAM HOPKINS
Atlanta Constitution
Political Editor

Meet **Sam Hopkins**

Born in Columbus, Ga., he was graduated from Plant High School, Tampa, Fla., attended Wofford College, Spartanburg, S.C., for two years and was graduated from Mercer University with an A.B. degree in English in 1952. During World War II he served as a Navy gunner in the Pacific and European theaters. He landed at Utah Beach at Normandy during the D-Day invasion. Before joining The Constitution in September, 1961, he worked seven years for the Macon Telegraph. He is interested in tennis, golf, bridge, music, photography and gardening. He and his wife, son and daughter live in northeast Atlanta.

THE ATLANTA CONSTITUTION
The South's Standard Newspaper

Civ. Liberties 9.7.V.
Equal Justice — Representation

LEGAL REPRESENTATION AND CLASS JUSTICE†

Jerome E. Carlin*

Jan Howard**

Half a century ago Reginald Heber Smith delivered the following indictment of our legal system:

> The administration of American justice is not impartial, the rich and the poor do not stand on an equality before the law, the traditional method of providing justice has operated to close the doors of the courts to the poor, and has caused a gross denial of justice in all parts of the country to millions of persons.[1]

Smith saw this denial of justice as arising from the very nature of our legal system which requires the services of trained lawyers for its effective use but prices such services beyond the means of large numbers of individuals.

> [T]he machinery of justice can be operated only through attorneys . . . attorneys must be paid for their services . . . and the poor are unable to pay for such services. This is the great, the inherent and fundamental difficulty—inherent because our legal institutions were framed with the intention that trained advocates should be employed, and fundamental in the sense that no amount of reorganization or simplification, short of a complete overturn of the whole structure, can entirely remove the necessity for the attorney.[2]

He also proposed a solution: an expansion of the newly emerging Legal Aid organizations.

> They are, indeed, the key to the solution of the whole problem, for if we can speedily give them resources which they need and deserve, they

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† This paper was prepared at the Center for the Study of Law and Society, as part of the Civil Justice Project, which is supported by a grant from the Russell Sage Foundation.

We wish to express our gratitude to our colleagues, Philip Selznick, Sheldon Messinger, and Philippe Nonet, for their many valuable contributions and editorial suggestions. We are especially indebted to Ian Kennedy and Aryay Lenske for their assistance in the preparation of the paper. We also wish to thank Lois Karp and Gloria Neal for typing the manuscript.

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1 SMITH, JUSTICE AND THE POOR 8 (1919).

2 *Id.* at 241.

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> will move forward and become the instrument through which we can attain the desired end.[3]

The administration of justice in the United States still results in a radically different quality of justice for the rich and the poor. This class system of justice rests very largely, as Smith saw, on differences in availability and quality of legal representation. We do not believe, however, that inequality in legal representation is simply a function of differential income or that the situation can be effectively remedied by Legal Aid organizations.

In the first part of the paper we shall summarize the available data on class differences in use of lawyers, and in the quality and integrity of the legal representation that is provided. The second part of the paper advances the thesis that these differences result in a denial of justice to the poor, since the poor do have many legal problems and neither the private bar nor its traditional substitutes are effectively dealing with them. The third part considers certain factors leading to inequality of legal representation, and part four suggests some of the conditions that must be met for the provision of adequate legal services to the poor. Finally, we shall briefly examine two recent proposals for extending legal services: group legal service and the neighborhood law office.

I. Class Differences in Legal Representation

A. *Use of Private Lawyers*

The use of lawyers is considerably less prevalent among lower than upper classes in the United States. Surveys of laymen in several states over the past years indicate that about two-thirds of lower-class families have *never* employed a lawyer, compared to about one-third of upper-class families. (See Table 1.)

A recent study of lawyers in private practice in New York City corroborates the findings from these surveys of laymen. Thus, it was found that less than five per cent of the lawyers report that the median income of their clients was under $5,000 a year, although half the families and unrelated individuals in New York City have incomes under this amount. Conversely, 70 per cent of the lawyers report that the median income of their clients was in excess of $10,000, though less than 10 per cent of New York's families and unrelated individuals received incomes that high.[4]

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[3] *Id.* at 240.

[4] Carlin, Ethics and the Legal Profession (in press). This study is based on interviews conducted in 1960 with a random sample of 800 lawyers in private practice in Manhattan and the Bronx.

TABLE 1
RELATIONSHIP BETWEEN SOCIAL CLASS AND USE OF PRIVATE LAWYERS (FINDINGS FROM 5 STUDIES)

California Study[a] (1940)		Iowa Study[b] (1949)				Koos Study[c] (1949)				Texas Study[d] (1952)		Missouri Study[e] (1963)	
						In the 5 Cities Studied		In the City of Akron					
Income Groups	% who have ever employed a lawyer	Income Groups	% who have ever hired a lawyer	Selected Occupational Groups	% who have ever hired a lawyer	Socio-economic Class	% who have ever hired a lawyer	Socio-economic Class	% who have ever hired a lawyer	Socio-economic Class	% who have ever hired a lawyer	Income Groups	% who have ever *gone* to a lawyer
Upper	76 (207)*	High	69 (176)	Manager	66 (110)					Upper and Upper Middle	49 (394)	10,000 to 19,999	77
Upper Middle	63 (579)			Professional	54 (69)							6,000 to 9,999	67
				Clerical	48 (156)	Middle Class	60 (843)	Middle Class	77 (133)				
				Skilled	42 (78)								
Lower Middle	52 (734)	Middle	(No Information)	Semi-skilled	30 (110)					Lower Middle	38 (324)	4,000 to 5,999	61
				Unskilled	37 (39)							2,000 to 3,999	64
Lower	36 (582)	Low	37 (234)	Farm Laborer	22 (18)	Working Class	44 (730)	Working Class	38 (87)	Lower	31 (282)	1,999 and Under	57

* Number in parenthesis indicates the number of respondents.

[a] *Public Opinion Poll for the State Bar of California*, Lord and Thomas, 1940. No indication given as to selection of sample or definition of income groups. Percentages reported here are based on the number of respondents experiencing one or more problems listed in the questionnaire.

[b] *Lay Opinion of Iowa Lawyers, Courts and Laws*, Iowa State Bar Association, 1949. "This Survey was conducted on the same cross-section used by the Iowa Poll, designed and kept current by Dr. Norman C. Meier of the State University of Iowa. The 'quota sampling' method was used, the regular Iowa Poll Practice." The sample consisted of 978 persons. No indication given as to how income groups were defined.

[c] *The Family and the Law*, Earl Loman Koos, National Legal Aid Association, Rochester, 1949. 4,150 questionnaires were mailed to middle-class families in the six cities and 2,027 responses were received. "These [mailed] questionnaires were matched for each city with an approximately equal number of interviews with working class families," 2,050 in all. No indication given as to how the socio-economic status of the families was determined. Figures for the middle class appear to be based on use of lawyers within the 12 months prior to the study, whereas, the figures for the working class refer to use of a lawyer *ever*, with no limitation on the time.

[d] *What Texans Think of Lawyers*, Joe Belden and Associates, 1952. The sample of 1,000 was designed to be representative of the adult population of the State. Less than 1 per cent refused to start the interview and even fewer quit in the middle. "Each interviewer received an assignment that told him the exact quotas of different types of people to interview. These quotas . . . impart to the total sample the proper proportions of people by section of the state, by size of city, by urban-rural residence, . . . by sex, by age, by socio-economic level, and by race. . . . The socio-economic level classification was made by the interviewer for every respondent, on the basis of apparent social position, financial well-being, education, appearance of the home, occupation and the like." The "upper and upper middle" class represents about 40 per cent of the Texas population, and the "lower and lower middle" the remaining 60 per cent.

[e] *Prentice-Hall Missouri Bar Study*, Missouri State Bar Association, 1963. 2,500 laymen were chosen as a layman sample. Seven geographic regions covering all of Missouri were used as the basis for selecting the sample. Interview quotas by occupation, sex and socio-economic status were established on the basis of the U.S. Census of Population, 1960. This is the only one of the five studies in which the proportion using lawyers does not refer to those who have employed or hired a lawyer. Therefore, those who have gone to Legal Aid offices could be included, and this might account for the larger percentage of lower class use of lawyers than shown in the other studies.

B. *Quality of Representation*

Lawyers representing lower-class persons tend to be the least competent members of the bar, and those least likely to employ a high level or wide range of technical skills.

In the highly stratified professional community of the metropolitan bar, for example, the large firms serving wealthy individuals and large corporations claim a lion's share of the best legal talent.[5] Lawyers available to lower-class clients, on the other hand, practice almost exclusively in the smaller firms,[6] and consequently are at the lower end of the bar in terms of quality of training and academic achievement.[7]

Lawyers available to lower-class clients are not only less competent, but whatever legal talents they have are less likely to be employed in handling matters for their poorer clients. In [illegible]

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[5] See SMIGEL, THE WALL STREET LAWYER ch. 3 (1964).

[6] The median income of clients by size of firm in New York City (1960) is as follows:*

Median Income of Clients:	Size of Firm: Individual Practitioner	Small Firm (2-4 Lawyers)	Middle Firm (5-14 Lawyers)	Large Firm (15 + Lawyers)
Under $5,000	11	12	1	0
$5,000-$9,999	36	25	11	1
$10,000-$20,000	32	28	23	19
Over $20,000	23	36	64	80
Total	100%	100%	100%	100%
No. of Cases	(329)	(138)	(116)	(49)

* Drawn from CARLIN, *op. cit. supra* note 4. Lawyers in individual practice and small firms represent 64 per cent of the lawyers in private practice in New York City.

[7] The following table* shows that (in New York City) the smaller the firm a lawyer is in the less likely he is to have had a full four years of undergraduate training, to have attended a top quality law school, or to have attained a high academic standing in law school:

PROPORTION OF LAWYERS WITH SPECIFIED CHARACTERISTICS IN EACH SIZE OF FIRM

Training Characteristics	Size of Firm: Individual Practitioners	Small	Middle	Large
A Four-Year College Degree	47	52	56	77
Attended a Fulltime University Law School	19	22	43	77
Attained High Academic Standing in Law School (Law Review)	9	13	27	32
No. of Cases	(376)	(161)	(204)	(60)

* From CARLIN, *op. cit. supra* note 4.

Data from this study also indicate that it is primarily the younger and hence the least experienced lawyers who are most likely to represent low-status clients.

is a direct consequence of the fee. Thus, Hubert O'Gorman reports that among matrimonial lawyers in New York City (practically all of whom are individual practitioners or in small firms) the size of the fee has considerable impact on the quality of service provided. Not only is the amount of time spent on legal research "conditioned by the anticipated compensation," but fees may also "dictate the strategy and tactics employed in legal representation." In particular:

> In giving advice about types of actions, places of jurisdiction, gathering of evidence, negotiation and litigation, a lawyer must consider carefully his client's finances. Sound professional guidance is useless if the client cannot pay the costs involved.[8]

The quality of service rendered poorer clients is also affected by the non-repeating character of the matters they typically bring to lawyers (such as divorce, criminal, personal injury): this combined with the small fees encourages a mass processing of cases. As a result, only a limited amount of time and interest is usually expended on any one case—there is little or no incentive to treat it except as an isolated piece of legal business. Moreover, there is ordinarily no desire to go much beyond the case as the client presents it, and such cases are only accepted when there is a clear-cut cause of action; *i.e.*, when they fit into convenient legal categories and promise a fairly certain return.[9]

A final significant fact about quality of representation is that lower-class clients are most likely to be provided with remedial service only. If a poor person gets to a lawyer it is generally after the fact—after he has been arrested, after his wages have been garnisheed, or after his property has been repossessed.

The quality of legal service provided the poor, of course, is a far cry from that available to the well-to-do client. In representing these clients lawyers provide a much wider range of services and they are of a more continuous and preventive nature. Such services include: (1) planning and setting up legal arrangements by establishing contractual relationships to effectuate the client's wishes and to insure certain legal advantages, and (2) clarifying and fashioning the law to provide maximum protection of the client's interests by means of lobbying in legislative and administrative agencies, and by presenting carefully worked out legal arguments before various official bodies, including appellate tribunals.

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[8] O'Gorman, Lawyers and Matrimonial Cases 61 (1963).
[9] See Carlin, Lawyers on Their Own ch. 2 (1962).

C. *Integrity of Representation*

In addition to the foregoing, the lawyers available to lower-class clients (those in smaller firms) are less likely to conform to the minimal ethical standards of the bar; which means, among other things, that they are most likely to take advantage of their clients.[10] A study of individual practitioners in Chicago has shown, for example, that lawyers with lower-status clients who become dependent on intermediaries to supply them with a large number of "one-shot" matters often consider their clients expendable and are apt to exploit them.[11] Data from a study of the New York City Bar also show that lawyers with a low-status, high-turnover clientele are most likely to succumb to temptations to exploit clients.[12]

II. Denial of Justice to the Poor

Class differences in legal representation need not necessarily constitute a denial of justice to the poor. To the extent that there is exploitation by lawyers, there is, of course, a denial of justice; but with respect to class differences in the use and quality of private representation, one could maintain that inequality is not tantamount to injustice. It could be argued that:

(1) The poor are less likely to use lawyers because they are less likely to need lawyers, the contention being that they have fewer problems requiring legal representation. Proponents of this view may go even further and claim that the problems of the poor are inherently non-legal—that they are essentially economic, social, or psychological in character.

(2) Although private counsel may be inaccessible to the poor, adequate substitutes for such representation are provided in the form of Legal Aid, court-assigned counsel, public defenders and special tribunals.

Let us now carefully consider the validity of these arguments.

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[10] This includes such infractions as: conversion of clients' funds, overreaching, abuse of confidential information. See Carlin, *op. cit. supra* note 4.

[11] "In the case of those lawyers specializing in personal injury, local tax, collections, criminal, and to some extent divorce work, the relationship with the client, as we have seen, is generally mediated by a broker or business supplier who may be either another lawyer or a layman. In these fields of practice the lawyer is principally concerned with pleasing the broker or of winning his approval, more so than he is with satisfying the individual client. The source of business generally counts for more than the client, especially where the client is unlikely to return or to send in other clients. The client is then expendable; he can be exploited to the full." Carlin, *op. cit. supra* note 9, at 161-62.

[12] See Carlin, *op. cit. supra* note 4.

A. *The Poor Have Fewer Legal Problems*

The thrust of this argument is as follows: Since the poor are, by definition, less likely to have the kinds of property or business interests that require legal services, they quite naturally have less need for legal representation. Data from the layman surveys referred to above seem to support this contention. For example, as shown in Table 2, the California survey indicates that lower-class families are less likely to make wills, to enter into contracts or into lease and deed agreements, and to sue or be sued.

TABLE 2
RELATIONSHIP BETWEEN SOCIAL CLASS AND VARIOUS EVENTS*

	Social Class			
% Reporting	Lower	Lower-Middle	Upper-Middle	Upper
Made a Will	7	14	25	46
Entered Into a Contract	14	20	32	44
Made a Lease or Deed	15	26	37	50
Sued Another	7	13	18	26
Sued By Another	6	8	12	19
No. of Cases	207	579	734	582

* Public Opinion Poll for the State Bar of California.

Furthermore, this survey shows that among those who do make wills, enter into contracts, etc., lower-class persons are as likely as the upper class to use lawyers. Upon further reflection, however, it appears that these findings do not necessarily indicate that the poor have fewer legal problems. Although the events represented in Table 2 are legal acts, they hardly exhaust the list of such acts.

Further, the bases for this line of argument appear to be unsound. In the first place, the different rates of making wills, contracts, etc., do not necessarily represent different *needs* for legal services. They represent differences in legal *faits accomplis*. The actions presented in Table 2 reflect problems that have been translated into legal events. One who makes a will or enters into a contract or files a suit obviously has already defined his problem as one that calls for some kind of legal action. There need not be, however, a one to one relationship between the *existence* of a legal problem on the one hand and the recognition and the exercise of legal rights on the other.

Furthermore, those who pursue this particular argument to show that the poor have fewer legal problems generally adopt a quite narrow and somewhat unrealistic definition of property. It is undoubtedly true that lower-class persons are less likely to own

or to be involved in transactions concerning the more traditional forms of property such as real estate or corporate securities. These traditional forms of property, however, do not necessarily exhaust the full range of economic interests that already have or may well deserve to be given the protection of property. Job rights, social security, unemployment compensation, public assistance, health insurance, retirement funds, and a host of similar interests tend to be the characteristic forms of economic wealth for the poor. The fact that these interests may not always be recognized as property may well be the result of the failure of the poor to establish or pursue their legal rights in these areas. Indeed, Charles Reich argues that to insure the dignity of the individual these benefits must be recognized as property and protected as a matter of right.

> The concept of right is most urgently needed with respect to benefits like unemployment compensation, public assistance, and old age insurance. These benefits are based upon a recognition that misfortune and deprivation are often caused by forces far beyond the control of the individual, such as technological change, variations in demand for goods, depressions, or wars. The aim of these benefits is to preserve the self-sufficiency of the individual, to rehabilitate him where necessary, and to allow him to be a valuable member of a family and a community; in theory they represent part of the individual's rightful share in the commonwealth. Only by making such benefits into rights can the welfare state achieve its goal of providing a secure minimum basis for individual well-being and dignity in a society where each man cannot be wholly the master of his own destiny.[13]

If one now considers the whole range of problems that might call for legal representation, there appear to be a number of areas in which the poor encounter at least as many legal problems as do the rich. Let us turn to a consideration of some of these areas.

1. Criminal

Crime is principally a poor man's problem. Research findings show that "the lower classes presumably violate the law more frequently than the upper classes; in any event, they are more likely to be caught and punished."[14] Moreover, as Arnold Trebach noted:

> Those most affected by injustice or inefficiency in the criminal process are almost always socially powerless if not insignificant. They stand at the bottom of the social heap. They are the privates of society. They are not movers and manipulators. If they are maltreated, they are often

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[13] Reich, *The New Property*, 73 YALE L.J. 733, 785-86 (1964).

[14] BERELSON & STEINER, HUMAN BEHAVIOR: AN INVENTORY OF SCIENTIFIC FINDINGS 488 (1964).

> tough enough to get up from the floor but not sophisticated or powerful enough to bring a complaint to the proper authorities and to fight it through successfully.
>
> For this and other reasons, it sometimes seems as if wrongs, rather than rights, in the criminal process are institutionalized.[15]

The need for legal representation in this area arises at every stage of the criminal process, from the time of arrest to final appeal. The Report of the Attorney General's Committee on Poverty and the Administration of Criminal Justice points out: "There is a strong argument that the time a defendant needs counsel most is immediately after his arrest and until trial."[16] Failure to provide counsel in the earlier phases of the proceedings often operates to deny the accused full protection of his legal rights; and it has been noted that this is particularly true "in those cases in which the guilt of the accused is to be contested and in which there is need to locate witnesses for the defense and to plan trial strategy."[17]

The necessity for counsel at the trial stage was clearly stated by Mr. Justice Sutherland in *Powell v. Alabama:*

> The right to be heard would be, in many cases, of little avail if it did not comprehend the right to be heard by counsel. Even the intelligent and educated layman has small and sometimes no skill in the science of law. If charged with crime, he is incapable, generally, of determining for himself whether the indictment is good or bad. He is unfamiliar with the rules of evidence. Left without the aid of counsel he may be put on trial without a proper charge, and convicted upon incompetent evidence, or evidence irrelevant to the issue or otherwise inadmissible. He lacks both the skill and knowledge adequately to prepare his defense, even though he have a perfect one. He requires the guiding hand of counsel at every step in the proceedings against him. Without it, though he be not guilty, he faces the danger of conviction because he does not know how to establish his innocence.[18]

Legal representation is also required after conviction in preparing an appeal and in obtaining various other post-conviction remedies.

The fact that the poor have legal problems and that they require competent legal representation to assert and protect their rights is, perhaps, most evident in the criminal area. Indeed, the Supreme Court of the United States has given increasing recognition to the proposition that legal representation for the accused is itself a fundamental constitutional right.[19] Less obvious are the legal

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15 TREBACH, THE RATIONING OF JUSTICE 225 (1964).

16 REPORT OF THE ATT'Y GEN. COMM. ON POVERTY AND THE ADMINISTRATION OF FEDERAL CRIMINAL JUSTICE 38 (1963).

17 *Id.* at 24.

18 Powell v. Alabama, 287 U.S. 45, 68-69 (1932).

19 See Escobedo v. Illinois, 378 U.S. 478 (1964); White v. Maryland, 373 U.S. 59 (1963); Gideon v. Wainwright, 372 U.S. 335 (1963).

problems of the poor in the civil area. An examination of these might prove useful.

2. Landlord-Tenant

Poor people ordinarily live in slums or semi-slums and often face a multitude of housing problems; many of these clearly have legal implications. In a paper entitled, "Why Tenants Need Lawyers," Nancy LeBlanc suggests three ways in which lawyers can help lower-class tenants in their "perennial battle with the landlord":[20]

(1) They can help make tenants aware of their legal rights, either by direct contact or through social workers.

(2) They can make it possible for tenants to exercise existing legal rights—"rights which are often so hedged in with technicalities that even lawyers have problems."[21]

(3) They can help develop and clarify the law of landlord-tenant relations and bring it into harmony with the realities of modern urban living.[22]

We shall examine the second and third points.

Exercising Existing Legal Rights

Most states have laws requiring landlords to maintain their premises in a habitable condition, *e.g.*, to provide heat, water, and electricity, and to keep the premises free of vermin.[23] These laws are often violated, and the tenant who is without counsel has a particularly difficult time forcing the landlord to fulfill his obligations. The so-called "rent strikes" in New York City were situations in which tenants who had access to attorneys took advantage of a legal remedy which had rarely before been exercised.[24]

In some instances a tenant may be able to have a criminal summons issued against a landlord who fails to provide essential services. However, in a criminal case the question of intent becomes

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[20] See LeBlanc, Why Tenants Need Lawyers 1 (paper presented at Conference on the Extension of Legal Services to the Poor, sponsored by the U.S. Department of Health, Education and Welfare, Washington, D.C., Nov. 12, 1964).

[21] *Ibid.*

[22] *Id.* at 2.

[23] *Id.* at 11.

[24] "What the tenants do is refuse to pay rent to the landlord so that he will bring a summary proceeding for non-payment of rent. Then the tenant interposes the defense of violations of record tantamount to a constructive eviction and asks for a stay pursuant to § 755 of the Real Property Actions and Proceedings Law, permitting him to pay his rent to the court until the landlord corrects the violations." *Id.* at 9-10.

important. In discussing the situation in New York City,[25] Leblanc comments:

> so far the courts have held that any attempt, no matter how small and meaningless, on the part of the landlord to do something about providing heat, etc., will defeat the charge. With a lawyer available to carefully prepare the case and to take an appeal this could possibly be changed to at least require that the attempt show a reasonable anticipation of success.[26]

Tenants not only have the problem of forcing landlords to comply with the law, but they have difficulty protecting their rights as defendants in proceedings brought by landlords. In New York City, for example, landlords and process servers sometimes deliberately by-pass legitimate means of summoning the tenant. Accordingly, the tenant may not hear of the action against him until the court has already authorized his eviction. At this point he is totally at the mercy of the landlord unless a lawyer is available to vacate the eviction order on the grounds of non-service. Because many tenants do not know their rights or do not have access to lawyers, they simply pay the landlord the rent and whatever court costs he demands, often twice as much as the law allows.[27]

Tenants also need legal representation to challenge the administrative discretion of public agencies; for example, a rent control agency or a public housing authority. According to LeBlanc, the rent control situation in New York City (admittedly unique) shows that legal representation may be essential even in dealing with an agency supposedly established for the benefit and protection of tenants and to do away with the necessity for an attorney.[28] She suggests that the process by which rents are reduced, restored, or raised is far too technical for the tenant to cope with without counsel and that the rent control agency does not fully protect the tenant's interests.

Legal problems for tenants arise in public as well as private housing. For example, Sparer notes that lawyers are needed to test the standards and procedures of eviction in public housing and that such tests could serve to clarify admission as well as termination standards.[29]

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[25] Although most of LeBlanc's examples are taken from New York, she argues that except for Louisiana, landlord-tenant law is basically the same throughout this country and the problems which beset the New York slum tenant are similar to those of slum tenants elsewhere. *Id.* at 2.

[26] *Id.* at 13.

[27] *Id.* at 4-9.

[28] *Id.* at 15.

[29] See Sparer, The New Public Law: The Relationship of State Administration to the Legal Problems of the Poor 28 (paper presented at the Conference on the Extension of Legal Services to the Poor).

Helping to Develop and Clarify the Law of Landlord-Tenant Relations

For years many tenants have been illegally evicted, and yet the question of whether they have a right to re-occupy their apartments or merely the right to monetary damages has apparently never been resolved by the New York courts. LeBlanc maintains that this ambiguity exists because tenants have not had adequate counsel at their disposal.[30]

The courts generally treat the leasing of apartments in multiple dwelling units as a leasing of real property, even though a tenant rents services and facilities in addition to physical space. It has been argued that when a tenant does not receive full consideration with respect to these services and facilities, he should be allowed to rescind the lease and abandon the premises or be granted a pro rata reduction in the rent.[31] Certain cases point in this direction, but according to LeBlanc:

> It is clear from the paucity of cases and by the dates of these cases scattered as they are over the past 50 years, that the failure to have long ago pushed through the concept that we are now fighting for, is related to the lack of legal counsel readily available to those most concerned with this problem—poor tenants.[32]

Finally, there is a need (in New York at least) for lawyers to challenge the law which requires that there be a violation of record before tenants can invoke defenses against landlords who have failed to provide essential services.[33]

3. Civil Rights

The legal problems of the poor are magnified by the fact that a disproportionate number of them are discriminated against because of their race or nationality. Where low economic status is associated with minority group status—and this is often the case—it may be hard to determine where the legal problems of the poor leave off and those of race and nationality begin. Most of the legal problems faced by minority group individuals are probably characteristic of the poor in general. We are most interested here in the special legal problems of minority groups—those they encounter in the course of challenging their deprived status. These problems are of three types:

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30 LeBlanc, *supra* note 20, at 6-7.
31 *Id.* at 12.
32 *Ibid.*
33 *Id.* at 10-11.

(1) Problems generated by the emergence of new legal rights designed to remove certain kinds of discrimination.

Through federal, state, and local legislative acts, executive orders, and judicial decisions, a whole new set of rights and remedies for minority persons is being developed and clarified. These rights are applicable to such areas as employment, housing, education, public accommodations, and voting. The mere existence of rights, of course, is not sufficient to guarantee their fulfillment. There must be active, aggressive attorneys to employ the legal machinery effectively. This is particularly true in the civil rights area, where there is widespread and organized resistance to change. Civil rights lawyers often must pressure administrative agents to implement the law; they may have to educate the judiciary and opposing counsel with respect to new laws; and they may have to mobilize public sentiment on behalf of their client's cause.

(2) Problems generated by the deliberate resistance of the majority group to legal changes in the status quo.

Those who seek to implement civil rights are often frustrated, intimidated and harassed not only by the citizenry-at-large but by agents of the law as well—judges, lawyers, police, and other public officials. One of the problems in this area is the deliberate delay by some courts—particularly in the Fifth Circuit—in the processing of civil rights cases:

> The delays occasioned in *Meredith* and *Lynd*, and caustically noted by the appellate court, do not appear to be accidental or limited; they are a generic feature of civil rights litigation in the deepest South—Georgia, Alabama, Mississippi, and Louisiana.[34]

These delays are occasioned by

> the reluctance of district court judges to grant timely or compliant enforcement of civil rights. At pre-trial, trial, pre-verdict and post-appellate verdicts stages, a district judge's considerable freedom to schedule and dispose of his calendar provides ample opportunity for subjecting plaintiffs to the passage of time, which, as in Meredith, may threaten to moot or, as in Lynd, to frustrate. The prevalence of delay tactics in civil rights cases, and their impact on the constitutional rights of litigants, warrants inquiry into the methods judges may use to achieve delay, and the instruments available to force greater adherence to traditional norms of impartial performance by the judiciary.[35]

Delay can also be achieved quite successfully by the refusal of

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[34] Comment, *Judicial Performance in the Fifth Circuit*, 73 YALE L.J. 90, 93-94 (1963).

[35] *Id.* at 94-95.

trial courts to rule in accord with appellate court decisions. Many southern federal district judges rule against civil rights litigants, thereby forcing an appeal to higher courts even when the judges know they will be reversed.

> It is one thing for a district judge to avoid breaking new ground by refusing to apply the equal protection principle to situations not previously decided in the courts. It is quite another matter, and a more dangerous one, for him to use his office as a fortress of resistance to the mandates of the Constitution as interpreted by the higher courts.[36]

More disturbing than the recalcitrance of some courts is the fact that in certain communities where minority groups have attempted to exercise newly gained civil rights, public officials have often permitted or encouraged the selective breakdown of law and order. Thus, they may refuse to protect minority group persons leaving them to the mercy of the mob.[37] In addition, the law itself may be used as a weapon of harassment and intimidation against civil rights workers. For example, attempts may be made to control demonstrations and other activities by enacting statutes of questionable validity and then setting exorbitant bail for those charged with violations.[38] Moreover, because they are vulnerable, civil rights workers may be forced to live up to the letter of the law in driving, walking, and other public behavior to a degree not required of others.

> [T]he police make arrests in some cases and then decide what the charge should be; in others, a lesser charge is filed and then changed to one carrying a heavier penalty; and sometimes the number of charges made against the defendant seems to be limited only by the arresting officer's imagination.[39]

Compounding all of their other problems is the generally accepted fact that minority persons who try to exercise their civil rights (and whites who are part of the civil rights movement) have a particularly difficult time obtaining counsel.[40] The problem is magnified by the relatively small number of Negro lawyers.[41]

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[36] Lusky, *Justice With a Southern Accent*, Harpers, March 1964, p. 73.

[37] For example, Mayor C. E. Sampson of Greenwood, Mississippi, disclaimed any responsibility for assuring the safety of Negroes who were trying to enter businesses catering to whites, despite the threat of assaults by angry whites. "We're not going to help them integrate any place." Schorr, *Civil Rights Bill Fails to Dent Segregation in Small Dixie Town*, Wall Street J., Aug. 27, 1964, p. 1.

[38] See Sitton, *Mississippi Is Said to Misapply Laws*, N.Y. Times, July 12, 1964, p. 53, for views of out-of-state lawyers who served as volunteers in Mississippi in the summer of 1964.

[39] *Ibid.*

[40] Pollitt, *Timid Lawyers and Neglected Clients*, HARPERS, Aug. 1964, p. 83.

[41] Although about 11% of the population are Negroes, only about 1% of the Bar are Negroes. U.S. Dep't of Commerce, Bureau of the Census, U.S. Census of the Population 1960, vol. 1, pt. 1, table D-205, p. 1-544, table B-56, p. 1-164.

Robert Zellner, a white civil rights worker arrested in Mississippi, wrote to no less than 40 different white lawyers, asking for representation. None offered his services, and some were sharply critical of the defendant.[42] CORE charged that during the Jackson, Mississippi sit-in litigation it was "unable to get any local white lawyers to represent the defendants and there were not enough local Negro attorneys available."[43] In southwest Georgia, Negro attorney C. B. King is swamped with more than 2,000 cases arising from voting, bus, employment, and other demonstrations![44]

The Justice Department has expressed concern that lack of counsel may discourage Negroes from pressing for their rights in voting, education, and transportation.[45] And the American Bar Association's Committee on the Bill of Rights has taken cognizance of the "great difficulty in obtaining local counsel for Negroes arrested in the South on charges growing out of sit-in and similar protest movements."[46] Because of the unavailability of counsel, those involved in civil rights cases may have to accept any representation—competent or not. James Farmer, National Director of CORE, said that his organization had been forced to employ Negro lawyers of whatever competence to defend "Freedom Riders."[47] Incompetence induced by these exigencies may result when a few lawyers are overburdened with civil rights cases. Under such circumstances they have little opportunity to give each case thorough attention.[48]

Lawyers who do take civil rights cases are often forced to suffer adverse consequences. This interferes with the proper representation of clients, and deters other lawyers from taking civil rights cases. The Lawyers' Committee for Civil Rights Under Law, which includes eight past presidents of the ABA, reported that in many southern communities Negroes cannot obtain counsel "because a white lawyer involved in civil rights litigation representing Negroes faces loss of clients, impairment of social status, public criticism, and often threats of physical harm to himself and his family."[49] Political harassment is also used. For example, certain

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42 Pollitt, *supra* note 40, at 81.

43 *Id.* at 83.

44 *Ibid.*

45 Sitton, *Legal Aid Scarce in Rights Battle*, N.Y. Times, Oct. 30, 1961, p. 14.

46 Lewis, *Court Defended at Bar's Session*, N.Y. Times, Aug. 10, 1962, p. 4.

47 Sitton, *supra* note 45, at 1.

48 See also *id.* at 14 where it is suggested that civil rights lawyers may not have the opportunity to obtain a "working knowledge" of judges and jurors.

49 Pollitt, *supra* note 40, at 82; see also the statement of attorney Clifford Durr of Montgomery quoted in, Kuntsler & Kinoy, *Lawyers Walk in Fear*, Nation, June 8, 1964, p. 577 and the remarks of law professor G. W. Foster in N.Y. Times, Oct. 30,

civil rights attorneys in Louisiana were charged with failure to register as members of organizations alleged by Louisiana authorities to be "Communist Fronts" (*e.g.*, the Southern Conference Educational Fund).[50]

Because very few southern lawyers are willing to represent civil rights litigants, out-of-state counsel is often necessary. These outside attorneys may, in turn, be intimidated by the southern bar and bench. They may be challenged by the local bar and denied the right to appear in court,[51] or judges may take advantage of the distances they are required to travel by making them appear in court as often as possible.

(3) Problems generated by "direct action."

Participants in the civil rights movement have to an increasing extent turned to such direct methods of protest as civil disobedience. Through the use of such provocative tactics as sit-ins, lie-ins and shop-ins, they often antagonize the police, judges, and other public officials—and this frequently results in mass arrests and other punitive consequences. These activities have clearly increased the need for legal representation.

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One of the less obvious ways in which lawyers can help implement civil rights is by promoting a climate of respect for law and order. Their presence as watchdogs, advisers, mediators and advocates can restrain the punitive hand of public officials and the violent hand of the public. This was made clear during the Mississippi Summer Project, when some 150 lawyers representing various groups moved into Mississippi on behalf of the civil rights workers.[52] One of the authors of this article personally observed the activities of lawyers in the Summer Project. She concludes that their very presence led to more favorable treatment of civil rights workers. As one of the law students participating in the Project commented:

> The amount of actual legal work we've done could be engraved on the head of a pin. But our mere presence is a real deterrent. With the

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1961, p. 14. Negro lawyers are also subjected to similar pressures, *e.g.*, the bombing of Arthur Shore's home in Birmingham and attempts by a Virginia State Committee to take client's files from the firm of Jordan, Dawley & Holt in Norfolk. Kuntsler & Kinoy, *supra* note 49, at 577-78.

[50] *Id.* at 577.

[51] Sitton, *supra* note 38, at 53.

[52] The lawyers' groups were: The Lawyers' Constitutional Defense Committee, the National Lawyers Guild, the Lawyers' Committee for Civil Rights Under Law and the NAACP Legal Defense and Educational Fund, Inc. Through the Law Students Civil Rights Research Council, law students were also involved. See Sutherland, *The Cat and Mouse Game*, Nation, Sept. 14, 1964, p. 107.

> lawyers here, the chances of a person's being beaten are much less and the chances of getting a person released in his own recognizance instead of by putting up a lot of bail are much better.[53]

In a sense these lawyers functioned as representatives of the larger American society. They brought with them traditional concepts of law and order, and they attempted to impose these more general norms on the "closed society" of Mississippi. The civil rights workers believed that the lawyers had a certain "mystique" about them which protected those in their presence. This belief may have functioned as a self-fulfilling prophecy. As the workers felt more secure, they asserted their rights more forcefully, and this may well have forestalled a certain amount of intimidation.

On the basis of this discussion it is evident that there are numerous legal problems in the civil rights area and that they merit the attention of individual lawyers and the organized bar. Although we have emphasized injustices in the South, there may be as much legal work to be done in the North. Special kinds of representation may be called for—filing amicus briefs, creating special organizations like the Lawyers Constitutional Defense Committee, educating the public, and recruiting lawyers for trouble spots like Mississippi.[54]

4. Domestic Relations

The greater likelihood of family dissolution through divorce, separation, or desertion in the lower classes[55] suggests that in this area the poor have many problems that require legal representation. With respect to divorce there is a variety of legal problems relating not only to the division of property, but to such volatile issues as custody of children, support and visitation rights that may arise before, during, and after the actual divorce proceeding. Lower-class individuals are often unable to obtain a divorce because they cannot pay lawyers' fees or because, as noted below, divorce is discouraged by Legal Aid attorneys. Under a legal or de facto separation, legal problems may still arise with respect to support, visitation and protection against harassment or violence.[56]

Many of the legal problems of the poor in this area tend to be hidden from view (or at least from the lawyer's view) because of

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[53] *Ibid.*

[54] Lewis, *Lawyers Acting in Racial Crisis*, N.Y. Times, Aug. 14, 1963, p. 1.

[55] See BERELSON & STEINER, *op. cit. supra* note 14, at 312; GOODE, AFTER DIVORCE 44-55 (1956).

[56] See Paulson, The Legal Needs of the Poor in Family Law 3 (paper presented at the Conference on the Extension of Legal Services to the Poor).

the administrative handling of the family problems of the poor. Thus, according to tenBroek, there are in fact two separate systems of family law—one for the rich and one for the poor.[57] The family law of the poor is public law, administered largely through state and local agencies, and more concerned with minimizing the costs of relief than maximizing the rights and interests of the recipients. The rules are "heavily political" and "measurably penal." tenBroek finds that civil family law (which is created, developed and administered by the courts) is non-political and less penal, but that it is not designed, in either substantive provisions or judicial administration, to meet the needs of the poor. He asks whether "separate" is not "inherently unequal" in the context of family law just as it is in the context of school segregation.[58] The answer, rather clearly, is that the inequality does exist and that it will continue to exist so long as the poor are denied adequate legal representation.

5. Welfare

With the development of the welfare state,[59] a whole new area of legal problems has emerged for the poor. There are legal problems for those already on welfare and legal problems for those not on welfare but entitled to it.[60]

Most of the legal problems in this area relate to the control of administrative discretion. Reich's study reveals that public agencies tend to subscribe to the philosophy that welfare benefits are "held by . . . recipients conditionally, subject to confiscation in the interests of the paramount state."[61] In other words, welfare is

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[57] tenBroek, *California's Dual System of Family Law: Its Origin, Development, and Present Status*, 16 STAN. L. REV. 257, 900 (1964).

[58] *Id.* at 258.

[59] See generally Reich, *The New Property*, 73 YALE L.J. 733 (1964).

[60] Approximately 8,000,000 persons in the United States today receive some form of public assistance. See Wickenden, The Legal Needs of the Poor from the Point of View of Public Welfare Policy 1-2 (paper presented at the Conference on the Extension of Legal Services to the Poor). In New York City, a third of a million people are assisted under the Aid to Dependent Children Program alone. See Sparer, *supra* note 29, at 6. Data suggest that twice as many people may be eligible for aid as actually receive it. James Dumpson, New York City's Commissioner of Welfare, estimates that a million persons in New York City are "poverty-stricken," in the sense that they are members of families whose total income is less than $2,000 a year, or in the sense that as unattached individuals they earn less than $1,500 a year. *Ibid.* Yet, only about half a million New Yorkers receive public aid under the various welfare programs. *Ibid.*

[61] Reich, *supra* note 59, at 768. Reich calls this doctrine the new feudalism. "Just as the feudal system linked lord and vassal through a system of mutual dependence, obligation, and loyalty, so government largess binds man to the state." Reich, *The New Property*, 73 YALE L.J. 733, 769-700 (1964).

viewed by the agencies as a *privilege* rather than a *right*. This theory consequently permits a significantly wide scope of administrative discretion and a relative absence of procedural safeguards.[62] Thus, the welfare applicant or recipient may be faced with a wide range of problems that call for legal representation. These may be grouped into the following categories.

(a) Eligibility. Eligibility rules establish standards with respect to *need*, *intent* (proving that one is not deliberately scheming to get welfare),[63] *residence*, and *morality* (proving that one is not morally unworthy for receiving aid). Another category might be entitled "the determination of social interest." This would include determining whether it is more "socially desirable" for the applicant to stay where she is or move to another part of the country where relatives can be of assistance.[64]

Proving that one meets these requirements may be a simple matter. However, unjust rejections appear to be common. For example, in 1961 more than 250,000 applications for public assistance were made in New York; 39 per cent of them were rejected.[65] In light of Dumpson's estimate of the size of New York's "poverty-stricken" population,[66] Edward Sparer suggests that this rejection rate was too high.[67] If the poor had greater access to legal representation, more rejected applicants might effectively challenge the grounds for their rejection.[68]

(b) Emergency aid. The problems associated with obtaining emergency aid are not conceptually distinct from those related to eligibility. The law may prescribe that emergency assistance be granted to those in immediate need, regardless of whether they are eligible for long-term aid. New York has such a law,[69] but apparently it has been violated in practice. Sparer suspects that for some time welfare workers granted emergency aid (under the "Welfare Abuses" law) only to those who agreed to leave the state, although "the regulations and procedures adopted under the statutes are explicit in not limiting emergency aid to such persons."[70]

(c) Delay. Welfare benefits may be held up because an investigation of continued eligibility is pending or simply because of

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[62] For a discussion of some of the pressures leading welfare officials to compromise the rights of beneficiaries, see Sparer, *supra* note 29, at 17.

[63] See the discussion of the "welfare abuses" law. *Id.* at 18-24.

[64] *Id.* at 8-9.

[65] *Id.* at 13.

[66] See note 59 *supra*.

[67] Sparer, *supra* note 29, at 13-14.

[68] Wickenden, *supra* note 59, at 2-3.

[69] See Sparer, *supra* note 29, at 20.

[70] *Id.* at 22.

bureaucratic red tape. To quote Sparer: "Is there a remedy in law to force a reasonably prompt determination and grant? Under New York law there is, but how is it to be obtained without a lawyer's help?"[71]

(d) Increasing the welfare benefits. One's welfare status may change over time so that he is eligible to receive greater benefits. Legal representation may well be an asset when one is trying to have his status redefined. Lawyers can also help raise the legal ceiling on welfare benefits. In 1957 an Iowa district court held unconstitutional a state law setting a maximum level to grants regardless of family size.

(e) Civil rights. In one sense, all the legal problems relating to procedural fairness are civil rights problems. In addition, there seems to be a special civil rights problem in the welfare area. Because they are in a dependent position, welfare recipients are especially vulnerable to being deprived of such basic constitutional rights as the right to privacy. Reich comments that:

> A not uncommon psychology leads those who dispense welfare to feel it only just that the beneficiaries give up something in return. To some public officials, opening one's home to inspection evidently seems a reasonable condition to impose on those whose homes are supported by a public agency. In many other ways, subtle and obvious, the recipients of public bounty are made to pay a similar price. They may be asked to observe standards of morality not imposed on the rest of the community. They may be forced to endure official condescension and prying.[72]

Agency infringement of civil rights is quite obvious in the case of "midnight searches," of which Reich is so concerned. Such searches are often made without warrant and in the middle of the night to determine if a man is present who might be "filching welfare money or dodging child support."[73] Reich contends that these invasions of privacy are unconstitutional under the fourth and fourteenth amendments and that the federal Department of Health, Education and Welfare has a legal responsibility to prohibit these acts.[74]

Why has this practice continued so long? One answer is: "persons on public assistance are in no position to enforce a constitutional right of privacy. They lack the means and knowledge to litigate constitutional questions. And the available legal remedies are most

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[71] *Id.* at 9.

[72] Reich, *Midnight Welfare Searches and the Social Security Act*, 72 YALE L.J. 1347, 1359 (1963).

[73] See Sparer, *supra* note 29, at 11, where he quotes from Time, July 31, 1964, p. 17.

[74] Reich, *supra* note 72, at 1348-55, 1359.

inadequate."[75] And again, in part, adequate legal remedies have not been developed because those whose interests would be served have not been adequately counseled, nor has their cause been effectively advocated.

6. Mental Illness

"At least in the United States, mental illness is more prevalent in the lower classes than in the upper; more severe there; less likely to be treated; and when treated, more likely to receive custodial or organic therapy than psychotherapy."[76]

This suggests that the poor who are mentally ill are very likely to be treated in institutions and that once again there is a need for legal representation to control administrative discretion. The first point at which the need may arise is the time of admission, particularly when it is non-voluntary. A lawyer may be needed to advise the patient (or his family) of the right to a commitment hearing and to act as an advocate in that hearing. All too often, it appears, the issue of personal liberty is decided in a summary, non-adversary proceeding without even the semblance of procedural fairness. With respect to the admission proceedings at Bellevue, it has been observed:

> *There is no regular representation of the patient's rights;* many observers point out that the hearing may not meet minimum constitutional requirements. The judges can and do try to explore the patient's side of the case, but often they must make a decision on the grave issue of personal liberty with little more than scanty evidence.[77] [Emphasis added.]

Protection may be required against vindictive or opportunistic attempts by family members and others to have the patient committed. Although many judges consider legal representation to be unimportant in mental illness proceedings, some have acknowledged that it may be advisable "in cases of hospitalization by the petition of a spouse when there is hostility between the two and in cases of hospitalization of aged patients whose families are eager to be rid of the burden of caring for them."[78]

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[75] *Id.* at 1355.

[76] BERELSON & STEINER, HUMAN BEHAVIOR: AN INVENTORY OF SCIENTIFIC FINDINGS 639 (1964).

[77] SPECIAL COMMITTEE TO STUDY COMMITMENT PROCEDURES OF THE ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK, MENTAL ILLNESS AND DUE PROCESS 7 (1962). See also, Scheff, *Social Conditions for Rationality: How Urban and Rural Courts Deal with the Mentally Ill*, 7 THE AMERICAN BEHAVIORAL SCIENTIST 21-24 (1964) and *The Societal Reaction to Deviance: Ascriptive Elements in the Psychiatric Screening of Mental Patients in a Midwestern State*, 11 SOCIAL PROBLEMS 401-13 (1964).

[78] SPECIAL COMM. TO STUDY COMMITMENT PROCEDURES OF THE ASS'N OF THE BAR OF THE CITY OF NEW YORK, MENTAL ILLNESS AND DUE PROCESS 189, 272 (1962).

The legal problems of the mental patient at commitment hearings may be aggravated by the appearance of doctors in the role of the patient's antagonist. For example, the doctor may reveal confidential information or make other assertions which the patient may wish to challenge or rebut.[79]

During the period of commitment a lawyer may be needed to protect the rights of the patient at periodic reviews of the grounds for detention,[80] to advise of alternative means of securing a discharge,[81] and to assist in protecting the patient's interests in the outside world, such as his job rights and social security benefits.

A lawyer may also be essential at the time of discharge to maximize the patient's rights. In many instances a patient is not really discharged but merely released to convalescent care, and, consequently, he may be rehospitalized without a re-admission hearing.[82]

7. Consumer

Installment buying has generated a whole complex of legal problems in the consumer area. These problems have been magnified by the sharp increase in the amount of installment debt. Caplovitz reports that "between 1920 and 1960 *installment* debt, exclusive of mortgages, rose from one billion to 42 billion dollars."[83] In the 1950's alone the personal debt load of Americans climbed more than twice as fast as their disposable income.[84] By mid-1964 installment debt in the United States stood at 56 billion dollars.[85]

Credit buying has a special impact on the poor. First, low income groups are more likely than high income groups to have a large proportion of their income tied up in debt payments. Further, the

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79 *Id.* at 163.

80 "[T]here is a need during the entire stay in a mental hospital for objective and periodic examination of a patient's status and right to release." *Id.* at 19.

81 *E.g.*, applying to a court for a discharge if the hospital director refuses to dismiss the patient or petitioning for a writ of habeas corpus. *Id.* at 186.

82 *Id.* at 183. Also note the following statement: "One hospital director commented that absolute discharges are used only for those patients who are completely recovered or who are in civil service or other employment in which discharge to convalescent care could embarrass them and impede their rehabilitation." *Ibid.* This comment suggests that a lawyer could affect the type of discharge granted.

83 See CAPLOVITZ, THE POOR PAY MORE 1 (1963).

84 According to *Consumer Reports* the amount of personal debt went up 160% during this period while disposable income increased by 61%. 25 Consumer Reports, Jan. 1960, p. 43.

85 *Consumers Installment Credit*, 50 FED. RESERVE BULL. 1111 (1964). See Katona *et al.*, 1961 SURVEY OF CONSUMER FINANCES 43 (1962) where it is observed that: "[V]ery high debt payment/income ratios occur primarily among low-income people." This trend is especially pronounced when only the population having debts is used as the base. See *Id.* at 53-54.

poor are especially vulnerable because they often lack the savings to back up their debts. Caplovitz found that over half of his sample had outstanding personal debts of at least $100; yet only 27% had at least $100 in savings.[86] Finally, the poor are particularly susceptible to the lure of "compensatory consumption." Appliances, automobiles, clothes and houses can become compensations for blocked social mobility.[87] When liberal credit is available on "easy terms," the poor are likely to overextend themselves in the process of seeking psychological and social gratification.

The legal problems of the poor in the consumer area can be classified into four categories:

(a) Problems stemming from missed payments (the "debtor spiral").

Caplovitz found that one-fifth of his subjects had experienced legal pressure because of missed payments.[88] Their goods had been repossessed, their wages had been garnisheed, or they had been threatened with garnishment.[89] Our recent interviews with authorities in the consumer field suggest that missed payments often set off a "debtor spiral." A missed payment can lead to a repossession and/or a deficiency judgment; and the deficiency judgment can lead to a wage attachment; and the wage attachment can lead to loss of job. One of our respondents reported that it is common practice in the San Francisco area for private industries to dismiss employees after three wage attachments. Caplovitz says that "many employers simply will not be bothered with garnishments and do not hesitate to fire workers whose salaries are attached."[90] Bankruptcy proceedings may be another facet of the debtor spiral, although our interviews suggest that bankruptcy is too expensive for many of the poor.[91]

Obviously, anyone who is entangled in the debtor spiral needs the services of an attorney—to tell him what his rights may be (*e.g.*,

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[86] See CAPLOVITZ, *op. cit. supra* note 83, at 108; Caplovitz, The Legal Needs of the Poor: Consumer Problems 3 (paper prepared for the Conference on the Extension of Legal Services to the Poor). Caplovitz's data were derived from the study of 464 low income families in New York City.

[87] See CAPLOVITZ, *op. cit. supra* note 83, at 13.

[88] See Caplovitz, The Legal Needs of the Poor, *supra* note 86, at 3.

[89] The practice of *threatening* wage attachment may have accounted for the fact that all the families interviewed were familiar with the word "garnishee." Caplovitz speculates that "this may well be one word in the language that the poorly educated are more likely to know than the better educated." See CAPLOVITZ, *op. cit. supra* note 83, at 21.

[90] See Caplovitz, The Legal Needs of the Poor, *supra* note 86, at 5.

[91] Another problem that flows from the debtor spiral is a damaged credit rating, with its consequences for future buying and character reference.

how much of his wages can be attached), and to intervene on his behalf at a number of points along the line (*e.g.*, to work out a "deal" before the repossession, to challenge the proposed amount of the deficiency judgment). If legal representation were obtained before the signing of the initial contract, missed payments might be avoided altogether.

(b) Problems stemming from fraudulent and "shady" business practices.

Fraud and misrepresentation on the part of merchants are perhaps the most common legal problems in the consumer area. Thus, twice as many respondents in the Caplovitz study reported that they had been cheated by a merchant[92] than reported a missed-payment problem.[93]

Several types of "shady" sales practices have been noted, including what might be called bait advertising, misrepresentation of prices, misrepresentation of merchandise, irreversible credit transactions (*e.g.*, where one cannot exchange the merchandise once one has signed the contract), and anonymous credit transactions (*e.g.*, where one cannot discover who the actual seller is in a door-to-door sale).[94]

Sometimes missed-payment problems are linked to problems of fraud. Families capable of maintaining payments may stop paying when they discover they have been cheated. Instead of gaining retribution by this practice, the cheated person often finds himself subject to all the legal penalty applicable to one who misses payments.[95]

(c) Problems stemming from inept (or biased) law enforcement.

Default judgments against the consumer are quite common in cases involving the poor. Often they are the consumer's "fault": he may be reluctant to leave his job or to travel a long way to court; or he may be unaware of the legal implications of failing to appear. But many times the consumer fails to respond to a summons simply because he never received it. Process servers (hired by the plaintiff's lawyer) may shirk their responsibility of delivery and simply throw the summons away. This happens with such frequency that a special

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92 CAPLOVITZ, *op. cit. supra* note 83, at 137.

93 Professional help was sought by only 9% of the families who reported that they had been cheated. Half of them did nothing at all about their problem, and the other 40% tried to deal with the merchant themselves (a technique that was seldom successful). *Id.* at 171-72.

94 *Id.* at 142-54.

95 See Caplovitz, The Legal Needs of the Poor, *supra* note 86, at 5.

term, "sewer service" is used to refer to it. Low-income families are particularly vulnerable to the consequences of "sewer service" because they are ignorant of their legal rights and of the available means of protection.[96]

Another problem which has been described is the questionable practice of city marshals who serve as collection agents. In New York City, a defendant's salary can be attached only if his property is insufficient to satisfy his debt. The city marshal is supposed to investigate the defendant's resources, make an attachment, and arrange a sale. Only as a last resort is he supposed to garnish wages. However, since the marshal's income is totally derived from fees, he is naturally eager to dispose of his cases rapidly. Consequently, he sometimes moves directly to garnishment without investigating the defendant's property at all.[97]

> It is the combination of "sewer service" and this practice on the part of some marshals that accounts for the fact that consumers sometimes never learn of the action taken against them until their employers notify them of the garnishment. And by that time it is often too late for the consumer to protect his job, let alone his rights in the legal action.[98]

Finally, there is the passive or biased role of regulatory agencies. Such agencies as the FTC and the Food and Drug Administration are supposed to protect the interest of the consumer as well as those of the business community. However, David Hamilton observes that:

> by and large, the consumer interest remains unorganized as a political force. As a result, Congress and the President, even when sympathetic to consumer interests, experience more effective political pressure from just those business interests who oppose any further "extension of governmental power." Thus, the inadequate budgets of agencies which protect the consumer interest persist. . . . In order to make these agencies more effective and thus make the market safer for the consumer, it would be necessary to increase their budgets and to change the attitudes of the body politic, the courts, and the administration.[99]

State and local governments also seem to be overly cautious about offending the business community.[100] According to Hamilton, state regulatory agencies are usually staffed by representatives of industry; and instead of controlling industry, they often sanction established practices.[101] As one of our respondents put it: "This is like having the foxes guard the chickens."

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96 CAPLOVITZ, *op. cit. supra* note 83, at 161.
97 *Id.* at 189-90.
98 *Ibid.*
99 HAMILTON, THE CONSUMER IN OUR ECONOMY 355-56 (1962).
100 *Id.* at 372.
101 *Id.* at 365.

Aggressive legal advocacy on behalf of the consumer may be necessary to alter the passive, biased stance of these government agencies.

(d) Problems stemming from inadequate laws.

The poor consumer is inadequately protected by the law. For example, the poor are most in need of usury laws because their high-risk situation makes it difficult for them to obtain low-interest loans. Yet, George Brunn reports that laws regulating interest rates are either inadequate or not enforced. "Such interest ceilings as legislatures impose on retail installment credit and small loans—ceilings which often become the norm—are set at the behest of credit extenders and without study."[102]

Whatever public interest there is in consumer problems seems to be primarily oriented toward those of the middle class,[103] truth in lending, deceptive packaging, misleading advertising, misleading labeling, short weighting and price fixing.[104] Although new laws in these areas might be helpful to the poor, what they really need is protection against the "debtor spiral." Thus, low-income consumers may require lawyers to frame and promote laws more directly in their interest.

As suggested above, the argument that the poor have fewer legal problems than the rich and therefore less need for lawyers, often merges into the welfare oriented idea that the problems of the poor are inherently non-legal. This view entails the risk of misconceiving the individual in such a way as to rob him of the dignity of citizenship.

Those who argue that the problems of the poor are essentially social or psychological rather than legal tend to conceive of the poor as incapable of comprehending, let alone altering, their predicament. The poor are thus seen as "human material that will be worked on, helped, and hopefully transformed,"[105] as objects to be manipulated or treated by those who claim to know what is good for them

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[102] Brunn, Legal Aspects of the Rights of Creditors and Debtors 8-9 (paper presented at the Seminar on Research Needs in Consumer Economics, Berkeley, Cal., Sept. 9-12, 1964). Brunn argues further that only in Nebraska and Arkansas do the courts hold retailers to the traditional usury law ceilings. *Id.* at 9. See Stanton v. Mattson, 123 N.W.2d 844 (Neb. 1963). See also Neal, The Known and Unknown in Consumer Credit 8-9 (paper presented at the Seminar on Research Needs in Consumer Economics).

[103] See CAPLOVITZ, *op. cit. supra* note 83, at vii.

[104] See Message of the President of the United States relative to "Consumer's Protection and Interest Program." H. Doc. No. 364, 87th Cong., 2d Sess. (1962). And see the general emphasis of Consumer Reports.

[105] Matza, The "Unmovables" in Stratification Systems: The Disreputable Poor 2 (unpublished paper prepared for the SSRC Conference on Social Structure and Social Mobility 1964).

—*i.e.*, social workers, psychiatrists, probation officers or marriage counselors.

Although advanced as an empirical fact, this conception of the poor is essentially a value judgment that tends to stigmatize them and reinforce their impotency. In a discussion of the limitations of the New Haven program for combating poverty, it was pointed out:

> A service program fills a need, but experts, not recipients, designate the need to be filled and establish the criteria for eligibility for aid. Typically, there is no effective means of challenging the basic criteria or for obtaining review of particular decisions applying those criteria. The pattern of aid is one of a donee's unquestioning acceptance, of an expert's dictation of what is "good for the client," and of an administrator's unchecked and unreviewable authority to terminate assistance. That power defines a status of subserviency and evokes fear, resentment and resignation on the part of the donee.[106]

We propose that a distinctive characteristic of the poor, and an essential condition of their predicament, is their lack of participation in the legal and governmental process. Thus the answer to the question of whether the poor have legal problems and need lawyers turns ultimately on the strength of our commitment to the extension of citizenship, for enfranchisement necessarily rests on the capacity to participate in and make effective use of the legal order—in our legal system, this means access to competent legal representation.

Finally, the contention that the problems of the poor are inherently non-legal is based on an extremely narrow view of the law and of the lawyer's role. What is needed is a wider view:

> The lawyer's function is essentially that of presenting a grievance so that those aspects of the complaint which entitle a person to a remedy can be communicated effectively and properly to a person with power to provide a remedy. Slum dwellers have many grievances not thought of as calling for lawyers' skills. Yet the justiciability of such grievances should not be prejudged; they require the scrutiny of a skilled advocate, for it is altogether possible that for many a remedy is available if the grievance is properly presented—even though the decision-maker may be a school board, principal, welfare review board, board of police commissioners, or urban renewal agency.[107]

B. *There are Adequate Substitutes for Private Legal Representation*

Whatever class differences exist in legal representation have also been defended on the ground that the poor are provided with adequate substitutes for private lawyers in the form of Legal Aid,

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[106] Cahn & Cahn, *The War on Poverty: A Civilian Perspective*, 73 YALE L.J. 1317, 1321-22 (1964).

[107] *Id.* at 1336.

assigned counsel, public defenders, and special tribunals which have been purposely designed to obviate the necessity of counsel. In order to evaluate this contention it is necessary to examine each of these traditional substitutes.

1. Legal Aid

Much can and should be said in praise of those who have contributed so much time and energy to the cause of providing legal services to the needy. Although there is tangible evidence of their labors, it is our opinion—shared by a number of Legal Aid workers themselves—that Legal Aid is seriously handicapped both in meeting the vast potential need for legal representation and in dealing with cases that are actually handled. Moreover, we suggest that the effectiveness of Legal Aid is undermined by the way it is organized and financed and the way it conceives of its task.

Limitation in Meeting Potential Need for Legal Services

Over the past 50 years the hoped for growth in Legal Aid (voiced by Smith and others) has simply not materialized. Thus, Emery Brownell conceded in the early fifties:

> The unhappy truth is that we have made almost no substantial progress up to the close of 1947. Using the standard which was applied in Chapter I of ten cases per thousand of population as being an approximation of the full need for Legal Aid services in a community, it will be seen that the proportion of need being met over the country as a whole has been virtually static. *The ability of the established organizations to meet the full need in their communities had risen only from 51 per cent in 1916 to 55 per cent in 1947.* . . . Like the Red Queen of Alice in Wonderland, the Legal Aid forces have been obliged to run as fast as they could to stay where they were.[108]

Raynor Gardiner, for many years the general counsel of the Boston Legal Aid Society, voiced similar pessimism when he wrote the following in the late forties for the Survey of the Legal Profession:

> The fundamental defect in legal aid service today is that, from a national point of view, it hardly exists. It is true that nearly all of the larger cities in this country have legal aid organizations, good, bad and indifferent, but the great majority of our citizens have no access to legal aid and to pretend anything else is just pompous nonsense.[109]

The situation since the late forties has, if anything, become worse.[110]

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[108] BROWNELL, LEGAL AID IN THE UNITED STATES 33 (1951). (Emphasis added.)

[109] Gardiner, *Defects in Present Legal Aid Services and the Remedies*, 22 TENN. L. REV. 505 (1952).

[110] From 1916 to 1947 the number of new cases annually processed increased from 5.1 to 5.5 per thousand population. BROWNELL, *op. cit. supra* note 108, at 33.

What fraction of the potential need is actually being met is, of course, a difficult question; it assumes that we have some meaningful way of estimating that need. Brownell advanced the rate of 10 per thousand population as a "reasonable" measure of those needing Legal Aid services.[111] That this is undoubtedly far too conservative an estimate is indicated in a report issued in 1958 by the Bar Association of the District of Columbia.[112] The authors of this report contended that although the rate of new cases handled in the District exceeded the Brownell standard,[113] the number of cases still "falls far short of the community's need."[114] The reasons advanced for their conclusion were as follows: (1) Their Legal Aid organization has never kept up with its work: "Whether the number of attorneys be large or small, clients are almost always waiting."[115] (2) Their interviews with those close to the problem—social workers, churchmen, and others—"disclose the unanimous view that Legal Aid is needed by many who do not get it because they do not know of its availability, or do not realize their need for it, or are afraid to seek it."[116] (3) Their conviction—based on some evidence—that publicity as to the availability of Legal Aid "would bring a flood of clients far beyond its capacity."[117]

The authors then suggest a new formula of 18 per thousand population which is based on an estimate of (1) the number of families with incomes below minimum levels to provide the necessities of life, and (2) the proportion of these families having legal problems—arrived at on the basis of the Koos findings.[118]

By 1963, however, only 30 out of the 212 cities with legal aid organizations submitting reports, processed as many as 5 new cases per thousand population; and only 6 (Santa Monica, Denver, New Haven, District of Columbia, West Palm Beach, and Southwest Harbor, Maine) processed as many as 10 per thousand population. NATIONAL LEGAL AID AND DEFENDER ASSOCIATION, 1963 ANNUAL REPORT. Although the 16 largest cities (with a million or more population) seemed to fare somewhat better than the average for the 212 cities, in that they processed approximately 5 cases per thousand population, this was still no better than the 1916 rate of 5.1 per thousand population. Moreover, if we consider the total population of the United States (not just the population of the cities with legal aid organizations), then there were only a little over 2 new cases processed per thousand population. (422,569 new cases handled in 1963 divided by the U.S. population in 1963 of approximately 188,616,000. *Ibid.*)

111 BROWNELL, *op. cit. supra* note 108, at 19.

112 REPORT OF THE COMMISSION ON LEGAL AID OF THE BAR ASSOCIATION OF THE DISTRICT OF COLUMBIA (1958).

113 In 1958 the district legal aid organization handled 12.2 cases per thousand population. *Id.* at 139.

114 *Id.* at 140.

115 *Ibid.*

116 *Ibid.*

117 *Ibid.*

118 Of the lower class families interviewed in the Koos Study, 35.6% reported

If we accept this new rate, then it would appear that only about 10 per cent of those persons needing Legal Aid are actually serviced. We arrive at this percentage as follows: 18 per thousand population (the "need") divided into 1.76 per thousand population (the actual number of new cases processed per thousand population in the total United States less the 20 per cent who are found to be ineligible).

Orison Marden, president of the Association of the Bar of the City of New York, writing in 1962 summed up the situation as follows:

> Despite the substantial progress already made we are very far indeed from meeting the actual need. On the civil side, there are still nine central cities in this country of 100,000 or more population which are without any organized Legal Aid facilities whatsoever. Some twenty cities of 75,000 to 100,000 population have no Legal Aid service. The existing Legal Aid facilities in twenty-four cities of 100,000 or more population do not meet even the minimum requirements established by the American Bar Association and the National Legal Aid and Defender Association. All too few of the existing Legal Aid offices are actually covering the requirements of their own localities. Many are hampered by poorly paid and inadequate staff; others are badly directed by disinterested or inactive boards of directors.[119]

That Legal Aid is capable of meeting only a small fraction of the potential need is partly a function of its extremely limited resources. In 1963 less than 4 million dollars was spent to finance the operations of all Legal Aid organizations in the United States handling civil cases.[120] This is less than two-tenths of one per cent of the total expenditures for legal services in the United States in 1963.[121] No wonder, then, that there may be fear of increasing the availability of existing Legal Aid services. Many offices, as shown below, are already swamped with cases, and again and again the fear is voiced of opening the flood gates. Lack of resources, however, is not the only factor limiting the capacity of Legal Aid to meet the potential need for legal services. We must also take into account the various grounds for excluding clients and cases. Although these grounds may be motivated in part by fear of increasing the already swollen size of the Legal Aid caseload,[122] other interests

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having a (legal) problem. Koos, THE FAMILY AND THE LAW 4 (1949). This may underrepresent the proportion having legal problems because the list of problems presented to lower class respondents is by no means comprehensive (*e.g.*, no mention of welfare problems) and because respondents may not comprehend the meaning of the categories.

[119] Marden, *Equal Access to Justice: The Challenge and the Opportunity*, 19 WASH. & LEE L. REV. 153, 155 (1962).

[120] See 1963 ANN. REP., *op. cit. supra* note 110.

[121] Personal consumption expenditures for legal services in 1963 were $2,218 million. U.S. DEPT. OF COMMERCE OFFICE OF BUSINESS ECONOMICS, SURVEY OF CURRENT BUSINESS, vol. 44, no. 7, July 1964, p. 16.

[122] Brownell notes, for example, that the restrictive policy on divorce "is justi-

seem to be involved. These reflect the relationship of Legal Aid to the local bar and to the local business community, and the orientation Legal Aid adopts towards its task and clients.

(a) Exclusion of cases that might profitably be handled by a private attorney.

A Manual of Practice prepared some years ago by John Bradway summed up the general policy of Legal Aid in this area as follows: "The first qualification of a legal aid client is that he should be unable to pay a fee."[123] The ability to pay a fee includes having a large enough claim so that a private lawyer may take the case on a contingent basis. Thus, with respect to personal injury cases, the recommended practice of the National Legal Aid and Defender Association (NLADA) is as follows:

> Except for good cause in individual instances, accept personal injury cases in which the client is unable to pay any fee and in which the amount of recovery is not sufficient to induce a reputable attorney to accept the case on a contingent fee basis.[124]

It has been estimated that "nationwide, about 20 per cent of the applicants are found to be ineligible,"[125] on all grounds. In most of these cases, applicants are turned away because they are able to pay a fee. Those who can pay a fee are generally referred to a private attorney, either directly, or through the Lawyers Referral Service of the local bar association. For example, between 1946 and 1956 about 17 per cent of the applicants to the Legal Aid Bureau of the District of Columbia were referred to lawyers in private practice.[126]

Granted the local bar may benefit from such a high rate of exclusions on economic grounds,[127] these exclusions suggest several serious drawbacks of the Legal Aid system.

Depriving the Applicant of Any Representation

What proportion of those who are turned away find a lawyer at all, or obtain a reasonably responsible and competent attorney?

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fied by legal aid organizations on the ground that otherwise the volume of divorce cases would overwhelm their limited staffs at the sacrifice of other more necessary law work." BROWNELL, *op. cit. supra* note 108, at 72.

123 BRADWAY, LEGAL AID BUREAUS: A MANUAL OF PRACTICE 61 (1937).

124 NATIONAL LEGAL AID AND DEFENDERS ASSOCIATION, HANDBOOK OF STANDARDS AND RECOMMENDED PRACTICE FOR LEGAL AID OFFICES 7 (1960).

125 Allison, *Suggestions for Managing a Legal Aid Office*, in *id.* at 12.

126 DISTRICT OF COLUMBIA REPORT, *op. cit. supra* note 112, at 74.

127 "It is clear . . . that such new legal business [for private attorneys] is found through the Legal Aid program and that Legal Aid does a real service both to those needing lawyers and to the lawyers in private practice." NATIONAL LEGAL AID ASSOCIATION, THE TWELVE POINT BRIEF FOR LEGAL AID 6 (1954).

Those who are sent to the Lawyers Referral Service must go through yet another step before ending up with a lawyer. How many of these potential clients become discouraged and simply give up?

Penalizing the Thrifty

How many of those who can afford to pay a modest fee are being penalized in the sense referred to by Bradway?

> A definite hardship results when paupers are cared for but the man in the class above, who has displayed more industry and saved a little money, is, in a sense, penalized by being made to pay an attorney's fee.[128]

Alienating the Applicant

How many of those who are turned away are undoubtedly soured by the experience? An attorney of the Baltimore Legal Aid Bureau noted the following, apparently not uncommon, reaction on the part of applicants refused Legal Aid assistance:

> [W]hen those clients would get into an attorney's office and the attorney took the statistical information and then said, "you don't qualify as a Legal Aid client, so don't you know an attorney? If you don't, we will be glad to refer you to one on the reference list," the client was apt to say, "Well, I have just got a very small problem, and I want just a little advice. Aren't you a member of the bar? Aren't you an attorney? Can't you answer this question?"[129]

Depersonalizing the Lawyer-Client Relationship

To avoid such embarrassing situations as the one described above and to conserve the valuable time of the professional staff, many offices have instituted a system of pre-screening of applicants by non-lawyers to determine eligibility.[130] This not only accentuates the already impersonal, mass-processing character of the agency, but it may possibly leave to a non-lawyer the important matter of determining the legal merit of a case.

One may ask why Legal Aid turns away so many applicants

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[128] BRADWAY, *op. cit. supra* note 123, at 61.

[129] NATIONAL LEGAL AID ASSOCIATION, PROCEEDINGS OF THE 31ST ANNUAL CONFERENCE 91 (1953).

[130] "So we decided that the thing that we ought to do was have the clients interviewed first, if possible, to determine eligibility. We said, as to the person interviewing that client, that he didn't necessarily have to be a social worker, but we said it ought to be someone who is a competent interviewer and knows something about wage scales and financial status, and so forth, and what earnings are made in the community. But that person should not be an attorney. So that if the client pops the question and says, 'Aren't you an attorney?' he or she can truthfully answer 'No, I am not an attorney, and I can't answer the question. But we have this referral service available for you.'" *Id.* at 92.

who themselves feel that they cannot afford a private attorney. The answer in part is that the organization is already overburdened, given its meager resources and small staff. An equal, if not more pressing consideration, is the fear of committing the cardinal sin: competing with private lawyers. As Emery Brownell has stated: "It is necessary to emphasize here the general policy scrupulously observed by all existing Legal Aid organizations: that Legal Aid is not competitive with the private practice of law."[131]

There can be little doubt that the policy against competition with private practitioners *is* scrupulously observed. Moreover, we suspect that the eligibility requirements are more often interpreted in favor of the local bar than in the interest of the needy clients. This is the price that is paid for the financial and moral support of the bar.

(b) Limitations on accepting divorce cases.

In the early days of Legal Aid, divorce cases were rejected outright. In *Justice And the Poor,* Smith noted:

> In divorce matters there is a clear and well-justified rule to refuse to institute divorce proceedings . . . . There is a strong policy against making divorces easy and cheap . . . . The issue is not between divorce and no relief; non-support proceedings will secure support and separation proceedings will protect against brutality or physical abuse.[132]

While this rule has been softened,[133] the spirit which inspired it still lingers on—namely, that divorce is a privilege or luxury that will be allowed the poor only on condition they deserve it. Wayne Theophilus, the attorney in charge of the Legal Aid Society of Pittsburgh, declared:

> People may say that poverty prevents [the poor] from having the same rights to get a divorce as a person with money, yet we must remember *obtaining a divorce is not a right but a privilege.* For most Legal Aid clients, a separation is just as useful and practical as a divorce.[134] [Emphasis added.]

Another Legal Aid attorney noted that the policy in his office is "that divorces are luxuries and will not be given as legal aid to indigents." The following remarks of Raynor Gardiner suggest that this view is held by the majority of legal aid offices.

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131 BROWNELL, *op. cit. supra* note 108, at 66.

132 SMITH, JUSTICE AND THE POOR 155 (1919).

133 The current NLADA recommended standard on divorce is as follows: "Accept a divorce case for a plaintiff first, where the client cannot afford to employ counsel; second, where there is a good prima facie case; and third, where *social need* exists." HANDBOOK, *op. cit. supra* note 124, at 6. (Emphasis added.)

134 22 Legal Aid Brief Case, No. 4, April, 1964, p. 211.

> A left-wing minority [of legal aid organizations] believes that divorce is a legal remedy open to all, that anyone who has a good legal case and no money is entitled to a divorce just as much as they are entitled to relief for collecting wages.[135]

Whether the Legal Aid client will be allowed the luxury or privilege of a divorce depends on a determination of social need. In making that determination the Legal Aid attorney frequently relies on the judgment or certification of a social worker. This, in turn, may mean that the client will have to submit not only to an investigation by a social worker, but also to some form of marriage counseling as a condition for obtaining a divorce. Such counseling is rarely required of those who can afford a private attorney. In view of the fact that the overwhelming majority of persons who come to Legal Aid with a marital problem are already separated, with little hope of reconciliation,[136] the restrictive policy on divorce seems particularly harsh and futile. Yet the policy seems to be widely followed. One empirically based survey found that of the 40 Legal Aid organizations that responded, 4 reported they did not accept divorce cases under any circumstances, 31 accept them only where a social need exists (*e.g.*, where the welfare of a minor child is involved), 21 require a social service investigation and 27 accept only after approval by the governing board of the organization or a committee thereof.[137]

The restrictive rule on divorce is apparently motivated in some agencies by a desire to minimize the cost of public assistance. Thus, one Legal Aid attorney observed:

> Our experience is that indigents already have a large family supported by the community and to permit them a free divorce allows the man particularly to remarry, frequently a much younger woman, and procreate a fresh batch of public charges.[138]

A similar concern may be noted in the remarks of a Legal Aid attorney in California:

> It has been learned through experience that nearly all divorce cases involving indigents, where the husband is not incarcerated for some reason or other, *are merely a device to entitle the wife and children to go on the Public Assistance rolls.*[139]

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135 NATIONAL ASSOCIATION OF LEGAL AID ORGANIZATIONS, COMMITTEE REPORTS AND PROCEEDINGS A-21 (1946).

136 MacDonald, *A Study of Applicants for Legal Aid in Relation to Marital Discord*, in NATIONAL ASSOCIATION OF LEGAL AID ORGANIZATIONS, COMMITTEE REPORTS AND PROCEEDINGS A-85 (1947).

137 NATIONAL ASSOCIATION OF LEGAL AID ORGANIZATIONS *op. cit. supra* note 135, at A-20.

138 NATIONAL ASSOCIATION OF LEGAL AID ORGANIZATIONS, *op. cit. supra* note 135, at A-21.

139 LEGAL AID SERVICES IN LOS ANGELES COUNTY, COMMITTEE SURVEY REPORT OF THE SPECIAL STUDY 55 (1963). (Emphasis added.)

He goes on to say that a social need arises only when a divorce "is necessary to protect either the wife or the children from immediate or threatened physical harm, or moral jeopardy."[140]

The underlying attitude here is that the poor person is essentially a welfare client, rather than a citizen capable of having rights and duties and of knowing his own best interests. As a result, Legal Aid is deemed a privilege which may be granted solely within the discretion of the grantor, and only if the grantee is found to be morally as well as financially deserving.

(c) Restrictive rule on bankruptcy

The NLADA's recommended practice on bankruptcy is as follows:

> Accept bankruptcy cases only in instances where everything possible has been done to make an adjustment with creditors and where it is obvious that a client will *never* be able to pay his debts and will be harassed by creditors for a long period.[141]

The Legal Aid client seeking this type of remedy may also be required to submit to a social work investigation as a condition of obtaining legal help.[142]

Brownell claims that "the chief reason for the [bankruptcy] rule seems to be the desire not to lose the good will of merchants and other creditors from whom the societies must seek settlements for other clients."[143] Others have perhaps been more candid by indicating that what is feared is not simply the loss of good will but the loss of Legal Aid funds. Several participants at the 1948 conference of NALAO observed: "that they encountered objection to their handling [of] these [bankruptcy] cases from merchants, doctors, small loan companies and others *who contributed generously to the Community Chest.*"[144] Insofar as the local Community Chests provide the main source of financial support for Legal Aid (in 1963 they provided 53 per cent of such support),[145] it is not surprising that the heavy contributors will press for protection. This financial dependence on local business interests that may be threatened by effective legal action on behalf of the poor client is a major structural weakness of the Legal Aid system that seriously undermines its capacity to provide adequate legal representation.

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140 *Ibid.*

141 STANDARDS AND RECOMMENDED PRACTICE FOR LEGAL AID OFFICES, *op. cit. supra* note 124, at 7. (Emphasis added.)

142 Gariepy, Legal Aid and Social Work 1 (Survey of the Legal Profession 1948).

143 BROWNELL, *op. cit. supra* note 108, at 73.

144 NATIONAL ASSOCIATION OF LEGAL AID ORGANIZATIONS, COMMITTEE REPORTS AND PROCEEDINGS B-8 (1948). (Emphasis added.)

145 1963 ANNUAL REPORT, *op. cit. supra* note 110.

Limitations in Dealing With Cases Actually Handled

Given the size of their case loads, Legal Aid attorneys are usually capable of providing only routine, perfunctory services for their clients. The standard caseload requirement set by the NLADA for Legal Aid offices in cities of more than 100,000 population is: "One full-time employed attorney for the first 750-1,000 cases per year; an additional full-time attorney for each additional 1,200 cases; or equivalent part-time attorneys."[146] Apparently, even this low standard is not always met. The Los Angeles office, for example, handled 14,361 new cases in 1961 with only 7 attorneys. This meant that one lawyer was available for 2,000 clients.[147] One consequence of these high caseloads is that clients may be forced to wait a long time before they can even see a lawyer. In Los Angeles it was reported that "there is an inordinately long waiting period for the applicants—an average of more than two hours, we are told, and sometimes as long as four hours."[148] And in the District of Columbia it was noted:

> It is not unusual for a staff attorney to learn from a client against whom a default judgment has been entered, that the client had previously come to the Bureau, but had had to leave because of his inability to wait long enough to see an attorney.[149]

An even more serious consequence of handling such a large number of applicants is the unavoidable tendency toward the mass processing of cases. This is reflected not only in the procedures developed for the initial screening of applicants, but also in the fact that most cases (75%, if we exclude those who fail to meet the eligibility requirements) are disposed of by a single consultation.[150]

The amount of time given to the investigation of facts, to legal research and drafting of legal documents, and to court work is necessarily minimal. In fact, many offices are incapable of handling cases that require extensive investigation or time-consuming litigation. In a report prepared for the Survey of the Legal Profession, Raynor Gardiner concluded:

> There are not more than one-half dozen offices in the entire country

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146 HANDBOOK, *op. cit. supra* note 124, at 3.

147 LEGAL AID SERVICES IN LOS ANGELES COUNTY, *op. cit. supra* note 139, at 51.

148 *Id.* at 52.

149 DISTRICT OF COLUMBIA REPORT, *op. cit. supra* note 112, at 140.

150 NATIONAL LEGAL AID AND DEFENDER ASSOCIATION, 1963 SUMMARY OF CONFERENCE PROCEEDINGS 25-49. Commenting on the high proportion of single-interview cases, the chief attorney of the Boston Legal Aid Society noted: "Most of these clients are only interviewed once, otherwise it would be physically impossible to take care of them with a staff of 12 lawyers." BOSTON LEGAL AID SOCIETY, ANNUAL REPORT (1954).

> that are equipped to provide a client with adequate representation in Court. The average Legal Aid office lacks the personnel or the money to engage in much litigation.[151]

That litigation limits the number of cases that can be processed is apparently borne out by the finding that Legal Aid offices in which 6 per cent or more of the cases involve court work are handling only half as many cases per attorney as offices in which less than 6 per cent of the cases involve court work. It is not surprising, therefore, to find the following official complaint lodged against a California Legal Aid office:

> The attorney-in-chief spends too much time on individual cases, interviewing clients and *actually handling some litigation*. This situation, we realize, has developed because of a shortage of staff. However, in spending time on these duties—as important as they are—he has fewer hours to devote to administrative responsibilities and work with the bar association and the community generally on broader Legal Aid matters.[152]

A further indication of the perfunctory service often provided Legal Aid clients is the immense disparity in caseload between Legal Aid and private attorneys. In New York City, for example, only 2 per cent of the private attorneys reported that they handled as many as 500 cases a year, and half reported handling no more than 50.[153] Even if we recognize that most private lawyers give the bulk of their time to business clients who are served on a more continuous basis, the difference in caseload is still startling.

The quality of service provided legal aid clients is also affected by the low salaries of the Legal Aid lawyers, the high turnover in professional staff, and the fact that clients generally wait too long before coming to Legal Aid, thereby minimizing the opportunity for effective help.

The principal limitations of Legal Aid, then, seem to be these: 1) grossly inadequate resources, 2) vulnerability to demands of the local bar and local businessmen (which may and often do conflict with the best interests of the Legal Aid client), and 3) the tendency of Legal Aid to adopt a social-welfare orientation toward its clients and toward its overall goals. This not only undermines the dignity and self-respect of the client, but also weakens the capacity of the agency to recognize legal rights and seek effective legal remedies.

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151 Gardiner, *Defects in Present Legal Aid Services and the Remedies*, 22 TENN. L. REV. 505 (1952).

152 LEGAL AID SERVICES IN LOS ANGELES COUNTY, *op. cit. supra* note 139, at 52. (Emphasis added.) See also BROWNELL, *op. cit. supra* note 108, at 222 for data on relation between case load and court work.

153 CARLIN, ETHICS AND THE LEGAL PROFESSION (in press).

2. Assigned Counsel and Public Defender

Each year approximately 60 per cent of defendants in criminal actions in federal and state courts are financially unable to obtain counsel.[154] There are essentially two methods by which indigent persons may be provided with legal representation in criminal cases: assigned counsel and Public Defender.[155]

Assigned Counsel

The assigned counsel system consists in the appointment, by the court, of individual lawyers to represent defendants who cannot afford private counsel. This is presently the only method for providing the indigent with legal representation in the federal courts and in about 95 per cent of all the counties in the United States.[156] Moreover, approximately 70 per cent of all felony defendants in 1963 were in counties using the assigned counsel system.[157]

Critics of this system have raised the following objections to its operation:

(1) "Assigned attorneys are often young attorneys or others who lack experience in criminal law, hence they are no match for the prosecuting attorney."[158] This conclusion was reached by Lee Silverstein on the basis of a state-by-state audit of practices with respect to representation of indigent accused. A recent study of the federal system came to a similar conclusion.

> A prominent defect [of assigned counsel] is the dependence upon young inexperienced lawyers for all but the most difficult or serious cases. The typical assigned counsel is little versed in the technicalities of the criminal law or the questioning of accused persons and has had little if any previous courtroom experience. But use of inexperienced lawyers seems almost inevitable under a noncompensatory system.[159]

Although the assigned counsel method may provide valuable training for young lawyers, it can have dire consequences for the client. As Arnold Trebach observed:

> A sink-or-swim philosophy for young attorneys in the criminal courts—whereby, if there is any "sinking" to be done, unfortunately it is done

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154 ATT'Y GEN. COMM. REP., POVERTY AND THE ADMINISTRATION OF FEDERAL CRIMINAL JUSTICE 16 (1963).

155 SILVERSTEIN, DEFENSE OF THE POOR IN CRIMINAL CASES IN AMERICAN STATE COURTS—A PRELIMINARY SUMMARY 5 (1964).

156 *Id.* at 6; ATT'Y GEN. COMM. REP., *op. cit. supra* note 154, at 14.

157 SILVERSTEIN, *op. cit. supra* note 155, at 6.

158 *Id.* at 7. On this and certain other points discussed here, see Note, *Representation of Indigents in California—A Field Study of the Public Defender and Assigned Counsel Systems*, 13 STAN. L. REV. 522-65 (1961).

159 Note, *Representation of Indigent Criminal Defendants in the Federal District Courts*, 76 HARV. L. REV. 579, 596 (1963).

> by the defendants—is fundamentally at odds with the concept of effective defense in an adversary system. When the defendant happens to be indigent, the criminal courts cannot be considered an extension of the law school Moot Court system.[160]

(2) Assigned counsel have insufficient resources to prepare an adequate defense: they are generally not reimbursed for out-of-pocket expenses for investigation and preparation and are paid little or nothing for their services.[161] These defects were found to be present in both state and federal courts. The Attorney General's Committee Report states:

> Assigned lawyers are awarded no compensation for their services, [are ordinarily] supplied with no funds to meet the most ordinary and essential expenses of maintaining a defense, and are not compensated for out-of-pocket expenses actually incurred in the course of representation.[162]

Without resources to prepare a defense and without compensation for his time, the assigned counsel is under considerable pressure to plead his client guilty. Findings presented in the Attorney General's Committee Report lend support to this view:

> [I]n all the districts studied, pleas of guilty are entered much more frequently by defendants with assigned counsel, than those represented by private counsel. Thus, in the Northern District of Illinois in fiscal 1961, an initial plea of guilty was entered by approximately 75% of all defendants represented by assigned counsel whereas the figure was about 20% in cases represented by private counsel.[163]

Absence of resources also adversely affects the quality of the defense in those cases where it has been decided to go to trial.

(3) "Lawyers are not appointed early enough in the criminal proceeding."[164] The current practice in the states is apparently to assign counsel either at the stage of arraignment, or, somewhat less frequently, after the filing of the indictment, but before arraignment.[165] Silverstein reports that the majority opinion of both assigned counsel and public defenders was "that the ideal stage for providing counsel is immediately after arrest, or before the police have interrogated the defendant."[166]

In the federal district courts, counsel is generally appointed at arraignment. The Attorney General's Committee also believes that counsel should be made available at a much earlier stage of

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160 TREBACH, THE RATIONING OF JUSTICE 207-08 (1964).

161 SILVERSTEIN, *op. cit. supra* note 155, at 8. The Criminal Justice Act of 1964 might remedy some of the problems described here and below with respect to representation of indigents in federal prosecutions.

162 ATT'Y GEN. COMM. REP., *op. cit. supra* note 154, at 17-18.

163 *Id.* at 29.

164 SILVERSTEIN, *op. cit. supra* note 155, at 10.

165 *Id.* at 23.

166 *Id.* at 25; see Escobedo v. Illinois, 378 U.S. 478 (1964).

the proceeding, and that failure to do so represents a "serious deficiency."[167]

(4) A large proportion of indigent accused persons are still not represented at all. This occurs because there may be too narrow a definition of indigency,[168] because there may be a failure to inform defendants of their right to counsel,[169] and because counsel are rarely provided in misdemeanor cases.[170]

The conclusion reached in the Attorney General's Committee Report as to the adequacy of the assigned counsel system in the federal courts is as follows:

> For a quarter-century the constitutional rights of counsel have failed to receive full implementation in the federal courts. In no district has a system of adequate representation been achieved; nor, for reasons stated in this chapter at length, are the practices employing the uncompensated services of attorneys capable of constituting such a system.[171]

Public Defender

It is said that many of the inadequacies of the assigned counsel system can be remedied by the establishment of a public defender office which presumably will have a full-time staff of experienced attorneys and sufficient funds for investigation. Although a few Public Defender offices appear to have these resources,[172] Arnold Trebach observes:

> Many of [the public defender offices] consist of one lawyer who has a private practice and serves as a defender on a part-time basis for a small annual retainer. For example, out of the 33 defender offices in Illinois, 28 are staffed with part-time lawyers. And in California, which is second to Illinois in the number of defender offices, only the defenders in those counties having a population of over 600,000 are on a full-time basis. . . . Moreover, the great majority of defenders handle cases only in second-level courts. These defenders do not enter a felony case at the preliminary examination stage, nor are they able to provide vital post-conviction service. . . . [N]ot more than 18 [out of a total of about 100] defender organizations in this country have full-time investigators on the payroll.[173]

Silverstein comes to a similar conclusion based on his study:

> Nearly all the public defenders who were interviewed said they needed

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167 ATT'Y GEN. COMM. REP., *op. cit. supra* note 154, at 24.

168 Goldberg, *Equal Justice for the Poor, Too*, N.Y. Times Magazine, March 15, 1964, p. 24; ATT'Y GEN. COMM. REP., *op. cit. supra* note 154, at 8; TREBACH, *op. cit. supra* note 160, at 120-21.

169 See *id.* at 63-69; SILVERSTEIN, *op. cit. supra* note 155, at 28-30.

170 See HOLBROOK, A SURVEY OF METROPOLITAN TRIAL COURTS—LOS ANGELES AREA 316 (1956); Silverstein, *op. cit. supra* note 155, at 35-39.

171 ATT'Y GEN. COMM. REP., *op. cit. supra* note 154, at 36.

172 Note especially Trebach's description of the Los Angeles and Alameda County Public Defender Offices. TREBACH, *op. cit. supra* note 160, at 140-41, 161-69.

173 *Id.* at 209.

> more funds to operate their offices properly. In particular many said they needed an investigator or funds for investigation. Some of the defenders said there is no career possibility in the job since the salary is low and will not be increased as they gain experience in the position. In some jurisdictions it appears to be a policy to encourage a fairly rapid turnover in the defender office, and in one county the judges follow a policy of appointing defenders for one year only.[174]

In sum, we feel there is persuasive evidence that neither the use of assigned counsel nor the public defender system, as presently constituted, is capable of providing adequate representation to accused persons: far too many accused persons are not represented at all, and when counsel is provided he generally has neither the resources, skill, nor incentive to defend his client effectively; and he may enter the case too late to make any real difference. Indeed, insofar as he induces his client to plead guilty, he may actually undermine his client's position.

3. Special Tribunals: The Small Claims Court

Special tribunals may be considered a partial substitute for private legal representation to the extent that they are capable of providing a forum in which the poor person has an opportunity, without counsel, to pursue his legal rights and remedies. The Small Claims Court, in the view of its founders and supporters, was designed to serve precisely this purpose. It was assumed that the poor person could be provided with such an opportunity if the tribunal were made readily available to him (by sharply reducing court costs) and if the presentation of his case were not encumbered by formal pleadings and other procedural rules. Whether in fact the Small Claims Court has fulfilled this purpose, however, is open to serious question. Indeed, it appears that there is little correspondence between the professed aims of the Small Claims Court and the ends it actually serves.

One of the conclusions reached by those who have observed the actual operation of these courts is that they are primarily used by businesses and other organizations for the collection of debts. Thus, a recent study of the Oakland-Piedmont Small Claims Court[175] found that 2 out of 3 plaintiffs were either business firms (jewelers, department stores, mail order houses, finance companies) or, to a lesser extent, government agencies (principally the County of Alameda).[176] The large majority (85%) of these organizational plain-

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[174] SILVERSTEIN, *op. cit. supra* note 155, at 16.

[175] McClosky, Reinis & Pagter, The California Small Claims Court (prepared for a seminar in court administration, Boalt Hall, University of California 1963).

[176] Claims brought by the County were mainly for the value of hospital services rendered, and unpaid taxes.

tiffs were filing group claims (more than one claim filed by the same plaintiff at the same time); and most of these plaintiffs were repeat users of the court.[177] A number of these organizations handle such a large volume of claims that they have established their own collection departments which make routine use of the court.[178] Thus, it is primarily the business community, not the poor, that reaps the advantage of the inexpensive and speedy process provided by the Small Claims Court. Furthermore, the poor person who comes into the court as a defendant has the disadvantage of facing an experienced businessman or agent as his opponent.

The Small Claims Court system, then, operates in such a way as to subvert the aims of its founders.[179] Moreover, the trend throughout the country appears to be toward the increased use of the small claims procedure for collection purposes. The Institute of Judicial Administration has noted that:

> [C]ollection agents and professional men employ the Small Claims Court's facilities in increasing number. However, no serious objection has been raised to this tendency; in fact, two states . . . have deleted from their statutes a limitation on the number of claims which an individual may bring before the court during a particular week or month. This action would seem to encourage the use of small claims courts by repeating claimants as well as by the occasional litigant.[180]

The use of an inferior court as an instrument for the collection of debts is by no means a recent phenomenon. According to Smith:

> In our judicial history small cases were first entrusted to justices of the peace. This plan for a while gave simplicity and despatch, but when applied to cities it failed utterly. The justices, being subject to no supervision, and depending so much on their fees that J.P. came to mean "Judgment for the Plaintiff," formed unholy alliances with collection agencies, instalment houses, and the like, and very generally became actually corrupt. . . . In the cities, the justice of the peace was first supplanted by specially created magistrates who, as the cities continued to grow, became just as inefficient and even more corrupt.[181]

Indeed, Smith was not unmindful of the possibility that the newly emerging Small Claims Court would also be captured by the collection agencies. But he felt such undesirable tendencies could be controlled:

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177 "As many as 97 claims were filed by a single plaintiff, although the average size of group claims appeared to be about 10-15." McClosky, Reinis & Pagter, *supra* note 175, at 15.

178 *Id.* at 27-28.

179 For a similar conclusion see, Comment, *Small Claims Courts as Collection Agencies*, 4 STAN. L. REV. 237, 241-42 (1952).

180 INSTITUTE OF JUDICIAL ADMINISTRATION, SMALL CLAIMS COURTS IN THE UNITED STATES 1-2 (Supp. 1959).

181 SMITH, JUSTICE AND THE POOR 42-43 (1919).

> The other objection [to the Small Claims Court] is that collection agencies will flood [these] courts with their business. Judge Levine of Cleveland answers this by saying that collection agencies were not deterred by the former procedure and costs. In fact, it played into their hands by giving them, in addition to the judgment, a large bill of costs with which they could further harass their debtors. The result of the small claims court is to save a debtor anywhere from two to ten dollars. If any undesirable tendency manifests itself, it can readily be controlled by requiring the original claimants, and not their assignees, to sign the statement of claim and to present the case to the judge in person.[182]

Why has the initial purpose of these tribunals been repeatedly thwarted? The answer lies in part in the erroneous assumption that the poor are barred from the use of the courts simply because of high costs and attorney fees. As will be suggested in Part III, there are a good many other factors that prevent the poor from making effective use of the legal system which include the lack of awareness of rights, the lack of confidence in the fairness or usefulness of the legal apparatus, and the lack of security and capacity to assert rights even when they are recognized. Furthermore, since the poor are least likely to be members of or active participants in organizations, they generally lack the organizational support that would otherwise promote their use of the court or put pressure on the court to remain true to its principles.

In sharp contrast to the unorganized character of potential lower-class users of the Small Claims Court are the many highly organized, strongly motivated, and clearly articulate business firms. For many years they have recognized the advantages to be gained from using these courts to facilitate the collection of debts, and that is precisely what they have done.

III. Causes of Inequality in Legal Representation

A. *Factors Involved in the Unequal Use of Lawyers*

Lack of economic resources is undeniably a factor limiting the use of lawyers. However, this represents only one element in a complex social process leading an individual to seek out and obtain legal representation. At least four steps are involved: (1) awareness or recognition of a problem as a legal problem, (2) willingness to take legal action for solution of the problem, (3) getting to a lawyer, and (4) actually hiring a lawyer.

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[182] *Id.* at 54.

1. Awareness of a Problem as a Legal Problem

Certain situations or actions may objectively give rise to legal problems, but the individuals experiencing such events may not perceive them as generating problems of a legal nature. They may be ignorant of the rights at stake and unaware of the possibility of legal remedies. We suspect this is particularly true of lower-income persons. Precisely what their legal rights and remedies are as tenants, as recipients of welfare benefits, or as creditors, may not be known or clearly understood by those with limited formal education. For example, David Caplovitz has noted that in the consumer area lower-income families have little understanding of their legal rights or of how to exercise them:

> Many consumers have almost no idea of the complex set of legal conditions embodied in the contracts they sign. The penalties that can be brought to bear on them, such as the loss of possessions already paid for, the payment of interest on money owed, the payment of lawyer and court fees, are matters that some families become rudely aware of only when—for whatever reasons—they miss their payments.[183]

Awareness of rights may also be attenuated by the attitude of many welfare agencies and legal aid offices that the poor have "problems," not "grievances."

2. Willingness to Take Legal Action

Awareness of legal problems does not in itself result in seeking a lawyer's help. The person must be willing to take legal action, and this presumably means he accepts the appropriateness, efficacy, and fairness of legal solutions to his problems. The indications are that lower class individuals are much more reluctant to take any legal action even when they recognize they have a legal problem. Thus, in a study of persons who had been mildly injured in auto accidents in New York City, it was found that the lower the socioeconomic status of the injured person the less likely he was to take any action to recover: 27 per cent of the lower-class respondents did nothing, compared to only 2 per cent of the higher-class respondents.[184] Similarly, a study in Newark disclosed that close to 90 per cent of the Negroes interviewed who reported alleged acts of discrimination took no action at all in such cases.[185] When asked,

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[183] CAPLOVITZ, THE POOR PAY MORE 155 (1963).

[184] Carlin, How Accident Victims Get to Lawyers: Summary of Findings 8 (1959) (mimeographed paper on file at Columbia University's Bureau of Applied Social Research). Based on interviews conducted in 1957 with 155 persons collected at random from official records. We recognize that part of the class difference noted above could be explained by a difference in awareness.

[185] Zeitz, Survey of Negro Attitudes to Law 25, in Blumrosen & Zeitz, Securing

"Who would you turn to if you ran into discrimination?" close to 40 per cent who answered the question said they didn't know or that they would do nothing.[186] The researcher concluded, "that there is an awareness, for a majority at least, of their problems is clear, but what is equally clear is the profound inertia gripping our sample."[187]

Two factors seem to be involved in the reluctance of lower-class individuals to take legal action: (1) prior contact or experience with the "law," resulting in alienation from the legal process, and (2) a general condition of dependency and insecurity leading to fear of reprisal if legal remedies were to be pursued.

Most contacts of lower-class individuals with the law are with police, probation and parole officers, inferior courts, and the like. As to the police, Zeitz concludes from his interviews with lower-class Negroes that "The police are seen, at least in their active roles, as antipathetic (at best) to the interests of the Negro. Mention of the police brought forth a deluge of complaints ranging from callousness and apathy through brutality and extortions."[188] Contact with courts appears to be equally alienating. Thus, a study of auto accident victims in New York City found that the more often respondents had come in contact with courts the less likely they were to take any action to recover for their injuries. And this was especially true of lower-class respondents.[189]

Many actions and decisions of the legal system with respect to the poor tend to degrade and stigmatize them. The following observations regarding the effect on the poor of the process of proving and maintaining eligibility before an administrative agency are clearly in point:

Equality: The Operation of the Laws of New Jersey Concerning Racial Discrimination (1964) (unpublished manuscript in Rutgers School of Law).

186 *Id.* at 26.

187 *Id.* at 25.

188 *Id.* at 28.

189 The relationship between prior court contact and taking some action (on their own or through a lawyer) to recover for losses arising out of the accident, for low and high socio-economic groups, is as follows:*

Per Cent Who Do Nothing** to Recover for Injuries

No. of Times in Court	Socio-economic Status	
	Low	High
2 or more	42(12)	15(13)
Once	24(17)	5(20)
Never	13(46)	4(47)

* Source: Carlin, How Accident Victims Get to Lawyers, *supra* note 184. Number in parenthesis indicates the number of respondents.

** *I.e.*, neither filed a claim themselves with an insurance company nor sought help from a lawyer.

> An applicant becomes eligible for assistance when he exhausts his money, gives a lien of his property to the welfare department, turns in the license plates of his car and takes legal action against his legally responsible relatives. When he is stripped of all material resources, when he "proves" his dependency, then and then only is he eligible. Welfare policies tend to cast the recipient in the role of the propertyless shiftless pauper. This implies he is incompetent and inadequate to meet the demands of competitive life. He is then regarded as if he had little or no feelings, aspirations or normal sensibilities. This process of proving and maintaining eligibility in combination with the literal adherence to regulations and procedures tends to produce a self-perpetuating system of dependency and dehumanization.[190]

Consequently, the law is frequently viewed by the poor person as something that works against his interest, as his enemy,[191] and as a device that can only be effectively employed through pull and connections. As Zeitz notes:

> Political and legal redress for wrongs is viewed as being part of a patronage system, rather than as a culturally approved part of a system of legal institutions. Thus, the Negro, seeking restitution or redress of wrongs, would prefer to deal on an individual level with a powerful patron, than to deal with the more formal . . . legal institutions.[192]

Insofar as the poor have contact with lawyers, it is mainly with prosecuting attorneys or lawyers representing collection agencies, landlords, etc. Furthermore, those who consult lawyers often come too late to get any effective help. They may also be treated with indifference (as part of a volume clientele) or with condescension (as in Legal Aid), and at worst they may be exploited. It is little wonder that many poor persons have a negative image of the law and of lawyers and hesitate to turn to them for help.

Alienation from the legal process is heightened by fear of reprisal from those interests against whom effective action would have to be taken—landlords, employers, local merchants, suppliers of public assistance, police—in short, all those in positions of power vis à vis the poor. The poor person is naturally reluctant to challenge these people.

3. Getting to the Lawyer

Awareness of legal problems and willingness to take legal ac-

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190 *Report to the Moreland Commission on Welfare*, in FINDINGS OF THE STUDY OF THE PUBLIC ASSISTANCE PROGRAM AND OPERATIONS OF THE STATE OF NEW YORK 73 (Nov. 1962) (Greenleigh Associates, Inc.). The use of first names or the term "boy" in referring to Negroes in southern courts has a similar degrading effect. See Hamilton v. Alabama, 376 U.S. 650 (1964).

191 "The poor man looks upon the law as an enemy, not as a friend. For him the law is always taking something away." From Attorney General Robert F. Kennedy's Address on Law Day, May 1, 1964 at the University of Chicago Law School.

192 Zeitz, *supra* note 185, at 44.

tion are still not sufficient to put the person in the hands of a lawyer; he must also have access to a lawyer and believe it possible to obtain his services. Lower-class individuals have less access to lawyers; they are less likely, compared to the upper class, to be acquainted with or related to lawyers, and are less likely to know someone who can refer them to lawyers both comparatively and absolutely. A California survey, for example, found that less than 30 per cent of lower-income individuals have either a friend or relative who is a lawyer, compared to 75 per cent of upper-income individuals.[193] Caplovitz reports, moreover, that in answer to the question, "Where would you now go for help if you were being cheated by a merchant or salesman?" 64 per cent of the respondents replied that they didn't know, and of those who knew of some source of help, only 8 per cent mentioned a private lawyer.[194]

The poor are not only out of touch with private attorneys, but they lack knowledge of the availability of free or low cost legal services. An Iowa study, for example, shows that over 80 per cent of lower-class persons interviewed had no knowledge of where free or low cost legal services could be obtained.[195] And, as we have seen, the legal aid societies are generally not eager to advertise their services.

Lack of geographical proximity to a law office is a further impediment to use of lawyers by lower-class individuals. Private attorneys, and even Legal Aid lawyers, tend to be located in the business centers of the city, and this means that considerable time and expense may be involved merely in travelling to the lawyer's office. The extent to which this constitutes a real obstacle to employment of lawyers is suggested by the fact that over 40 per cent of lower-class individuals interviewed in the California study reported they would consult a lawyer more frequently if the law office were near their home.[196]

Apprehension over costs of legal service may also prevent a poor person from seeking a lawyer's help. There appears to be widespread ignorance as to how much lawyers charge,[197] and fear that, whatever the charge, it would be more than he could afford.[198]

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193 Public Opinion Poll for the State Bar of California, *supra* p. 383.

194 CAPLOVITZ, *op. cit. supra* note 183, at 175.

195 Lay Opinion of Iowa Lawyers, *supra* p. 383, at 34.

196 Public Opinion Poll for the State Bar of California, *supra* p. 383.

197 Two out of three lower-class respondents in a Texas study did not know how much lawyers charge for giving advice, compared to half of upper class respondents. See p. 383 *supra*.

198 In the California study 55% of lower-class respondents said they would not consult a lawyer for simple advice because of the expense. Public Opinion Poll for the State Bar of California, *supra* p. 383.

4. Hiring a Lawyer

Assuming the potential client has actually contacted a lawyer, there is a final obstacle in the possible refusal of the lawyer to represent him. And here again, class seems to make a big difference. The indications are that lower-class persons are more likely to be screened out by lawyers. Thus, in a study of individual practitioners in Chicago it was found that most lawyers interviewed had turned away clients, and mainly for economic reasons.[199] Moreover, other reasons given for turning away clients (dislike of the client or of the case, lack of legal merit) possibly mask economic or class considerations. Dislike of the client (because he is "obnoxious," "mentally unbalanced," "drunk," of "low moral character," a "sponger," etc.) may reflect the cultural distance between the lower-class client and the middle-class lawyer. Dislike of the problem (*e.g.*, criminal, divorce) suggests that it is precisely those cases that are most distinctive of lower-class clients that are being rejected. These cases may not be accepted because they often involve lawyers in unethical practices or simply because they are brought by low-status clients. Lack of legal merit is indeed a legitimate reason for turning down a case. However, lawyers who reject clients on this basis may be unwilling (given the small fee) to put in the time and effort necessary to find a legal solution.

It would appear, then, that lawyers systematically exclude lower-class clients, and that this is based mainly on the following considerations: low expectation of financial gain, a desire to avoid a less prestigeful type of practice and clientele, and perhaps, also, conceptions of what merits consideration in the legal arena. Further, lawyers act as gatekeepers not only by selectively excluding cases and clients, but also by selectively soliciting clients. And here, too, with the exception of personal injury cases (handled primarily on a contingent fee basis), lawyers are unlikely to be looking for legal business from lower-class clients.[200]

At every step of the way, lower-class persons are handicapped by a lack of organizational support. The poor are characterized by a relatively low level of organizational participation; they belong to few if any voluntary organizations, and they are ordinarily not

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199 These findings are based on further analysis of interview data from the study reported in CARLIN, LAWYERS ON THEIR OWN (1962).

200 To quote Wickenden: "You will have to admit that not many lawyers have been brought before bar associations for unethical behavior in aggressively seeking welfare cases!" Wickenden, The Legal Needs of the Poor from the Point of View of Public Welfare Policy 3 (paper presented at the Conference on the Extension of Legal Services to the Poor).

even members of unions.[201] As a result there are few organized groups to alert them to their legal rights, to encourage them to take legal action, or to provide them either with lawyers or with the resources for obtaining lawyers.

B. *Factors affecting class differences in quality and integrity of legal representation*

Class differences in the quality of legal service obtained and the integrity of lawyers providing the service are related to the system of stratification of the legal profession. As we have seen in Part I, individual practitioners and lawyers in smaller firms (particularly in the large metropolitan centers) are least competent, least likely to exercise a high level of technical skill, and least responsible. The question is: Why are lower-class persons almost exclusively represented by lower-status lawyers? The answer is that lower-class persons are least able to afford higher-status lawyers, and they generally have access only to those informal referral networks that are tied into lower-status lawyers.[202] Finally, the small fees and high-turnover clientele characteristic of lower-status lawyers lead not only to a low level of technical skill (because of the standardization of practices in handling a volume clientele), but also to a weakening of the lawyer's capacity to resist opportunities for exploiting clients.

IV. Conditions for Extending Adequate Legal Services to the Poor

What are the conditions for providing effective legal services to the poor? Any list would certainly have to include the following: (1) subsidization of legal services, (2) accessibility of services, (3) organizational support to promote the use of lawyers, (4) appropriateness of the services provided, (5) autonomy and independence of the suppliers of services, and (6) provision of services as a matter of right.

A. *Subsidy*

It should be quite obvious that lower-income groups simply cannot afford the range and type of legal service that is required for effective solution of their legal problems. Existing expenditures for legal aid to the poor are patently insufficient. Well over two billion

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201 See authorities cited note 222 *infra*; see also Harrington, The Other America 18, 26-27 (1964).

202 Carlin, *op. cit. supra* note 199, at ch. 3.

dollars a year are spent on private legal services in the United States,[203] but less than eight million goes to Legal Aid (both for civil and criminal cases).[204] A much greater outlay is necessary, and we suspect it will have to come from the government. The legal profession may not necessarily be opposed to government subsidy. Thus, 65 per cent of the lawyers interviewed in New York City agreed with the statement that: "There should be a tax-supported program to provide free or low-cost legal service to needy individuals in criminal and civil cases": only 4 per cent strongly disagreed. Support for such a program, moreover, was found in all levels of the Bar, including lawyers in the large firms (59 per cent of whom said they would approve such a program).[205]

B. *Accessibility*

It is essential that those providing legal services take the initiative in "going to the people." As Zeitz points out:

> Lower-class people cannot be aided by middle-class devices. Rather than giving aid, we find that institutions which sit back and wait for the needy to take the first step only widen the distance that separates them, and [unintendedly] exacerbate the conditions. It is necessary for the [Civil Rights] Division to seek out the needy and to offer their help concretely. We adhere to the position that the Negro who simply is aware of this problem has taken the first step, and that it is now the responsibility of the community, with its multitude of resources, to come to him.[206]

An obvious requirement is geographical proximity; legal services must be situated in a place that is as close as possible to those needing it. This is a crucial ingredient, of course, of the neighborhood law office proposals. Thus the Cahns point out: "Because the ready availability of legal services is a prerequisite to their increased use, it would seem desirable that the proposed firm maintain several offices scattered throughout the target neighborhood."[207] They go on to suggest that: "Suitable locations would be: in (or in proximity to) the public housing project, the junior high or high school, the shopping center, the police precinct station, the welfare office, or the well-baby clinic."[208]

Social proximity is as important as geographical. Provision

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[203] 44 DEPARTMENT OF COMMERCE OFFICE OF BUSINESS ECONOMICS, SURVEY OF CURRENT BUSINESS (July 1964).

[204] NATIONAL LEGAL AID AND DEFENDER ASSOCIATION, 1963 ANNUAL REPORT.

[205] CARLIN, ETHICS AND THE LEGAL PROFESSION (in press).

[206] ZEITZ, *op. cit. supra* note 185, at 49.

[207] Cahn & Cahn, *The War on Poverty: A Civilian Perspective*, 73 YALE L.J. 1317, 1350 (1964).

[208] *Id.* at 1350 n.46.

of legal services must be tied into informal referral networks; there have to be social links between lawyers and potential clients, and informal social support (from friends and others) for using lawyers.

C. *Organizational Support to Promote the Use of Lawyers*

As we suggested earlier, organizational support could play a crucial role at every stage of the process by which potential clients are led to lawyers. This kind of support may help develop in the poor a sense of security that is perhaps a basic condition for asserting claims of right.

Middle-class persons are more likely to belong to organizations that can inform them of their legal rights, act as watchdogs of agencies, provide resources for seeking legal help, and even initiate legal action on their members' behalf. Labor unions often serve these purposes, but the poor are frequently unemployed or in occupations that are non-unionized. It may be necessary, therefore, to create new types of organizations for the poor. As has been suggested, these may take the form of "an association of tenants, of recipients of welfare, of consumers whose purchases are bought through certain finance companies. It may even include the incorporation of a block, neighborhood, or community."[209]

D. *Appropriateness of Service*

It is crucial that the legal problems of the poor be dealt with at an institutional level. This would include: (1) bringing about changes in the routine practices of landlords, finance companies, and local merchants, that tend to weaken or violate existing legal rights, and (2) reforming administrative regulations and official procedures (within welfare agencies, certain courts, police departments) that are inconsistent with or violate standards of due process. These changes can be effected in a variety of ways: on an individual case-by-case basis ("the assertion of a right in even a single case may have community-wide ramifications"),[210] by representation of group or class interests (organization of a rent strike on behalf of tenants), and by lobbying in the applicable administrative agencies and legislative committees. All this suggests, as we have already indicated, that lawyers serving the poor must be capable of exercising as high a level of technical skill and ingenuity as lawyers serving the wealthy individual or large corporation. It also suggests that these lawyers will have to engage in what might be termed

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[209] Cahn & Cahn, *supra* note 207, at 1339.
[210] *Id.* at 1338.

selective or strategic advocacy.[211] This in turn may raise new problems with respect to the lawyers' commitment to particular clients and their individual interests: thus, it has been noted that "taking a case because of its highly 'symbolic character' could easily result in sacrificing an individual client to a 'greater cause.' "[212]

E. *Independence*

The earlier discussion of Legal Aid agencies underlines the importance of maintaining the autonomy of the groups providing legal services to the poor. It would appear to be essential, therefore, to avoid excessive involvement with or dependence upon those groups that will necessarily be threatened by effective legal representation of the poor. This would seem to rule out financial support from local merchants or the local bar. The difficulties involved in finding a formula to assure autonomy should not be minimized.

F. *Legal Representation as a Right*

One of the principal drawbacks of the Legal Aid system is its welfare orientation. This tends to undermine the very awareness of rights and capacity for asserting rights that is so crucial for overcoming apathy and promoting full participation in the legal order. It also seems to discourage a legal approach to problems. If we are to encourage the dignity and full enfranchisement of the poor, legal services must be provided them as a matter of right.

V. New Forms of Legal Representation

The various efforts over the past fifty years to eliminate class differences in legal representation have largely failed: denial of justice to the poor is a fact today as it was in 1919. The institutions that have been developed to provide legal services for the poor have been unable to reach them in any significant number, and often those who have been reached have not received significant help. Indeed, certain institutions, such as Legal Aid, may even have worked against the interests of the poor by undermining their capacity for asserting legal rights. What are the prospects for the future? There are two developing forms of legal representation that hold some promise for extending legal services. Let us now consider each briefly.

A. *Group Legal Service*

By group legal service (or group legal practice) we mean the

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211 See *id.* at 1336, 1347-48; see also p. 437 *infra.*

212 Cahn & Cahn, *supra* note 207, at 1348.

various types of arrangements through which organized groups provide their members, in their individual capacities, with access to legal representation.[213] We are not referring to legal representation for the organization per se, although we recognize that there often is no clear boundary line between the legal interests of individuals and those of their organization.[214] The organized groups may be trade unions, professional associations, corporations, or groups specifically formed to provide pre-paid legal services to their members.[215] The lawyer may be employed on a full-time basis (as "house counsel"), may be engaged on a retainer,[216] or simply be recommended by the organization.

Group legal practice is not a new institution. For many years, corporations, unions and other organizations have used their formal and informal ties with attorneys to help solve the legal problems of their members, officials, or employees. Because certain arrangements have violated or have appeared to violate the Bar's Canons of Professional Ethics with respect to solicitation and the use of intermediaries, group practice has had an unethical or quasi-ethical status, and the lawyer-organization arrangement has often been subrosa.

With its decision in *BRT v. Virginia*, the Supreme Court has given legitimate status to group practice: "By finding that the Brotherhood's plan and activities are protected by the First Amendment, the Court has given such activities and plans the broadest possible protection against infringement or limitation by the Bar or the courts."[217]

This newly acquired legitimacy should increase the use of group practice. The question that concerns us is whether these arrangements can help the *poor* obtain effective legal representation. But before we reach that question, it is helpful to identify the general advantages which flow from group practice.

(1) It can increase the recognition of problems as legal problems.[218] Because they have an organizational base, lawyers who en-

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[213] This definition is adapted from that suggested by the California Committee on Group Legal Services. *Group Legal Services*, 39 CAL. S.B.J. 639, 661 (1964) [hereinafter cited as *Progress Report*].

[214] For example, where the legal problems are of "common interest" to all members of the organization (*e.g.*, employment contract problems, industrial accident problems).

[215] *Progress Report* 640-41, 661.

[216] In the case of trade unions, the organization's arrangement with the lawyer may actually be established in a collective bargaining contract and be financed through employer contributions. *Id.* at 641.

[217] *Id.* at 696.

[218] *Id.* at 662.

gage in group practice have a ready-made structure for educating their potential clients as to their legal rights.[219]

(2) It can counter the reluctance to seek legal representation. When an organization provides its members with counsel, it certifies the lawyer's integrity, and it sanctions and encourages the assertion of rights. It may even instill in the members a sense of duty to protect their rights, especially where the legal problem has group relevance. Through group practice, common legal problems (such as employment problems) can often be handled as a unit, reducing the likelihood of reprisals against any one individual. Moreover, with the organization behind him, the individual is more likely to feel secure in asserting his rights.

(3) It can increase the accessibility of lawyers, both by reducing the cost of legal services (for example, through an insurance principle that spreads the risk)[220] and by opening channels to lawyers. The group may advertise the lawyer's availability and specialty;[221] or officials may simply recommend the lawyer when a member comes to them with a problem.

(4) It can increase the appropriateness of legal service. Through its lawyer, the organization can exert pressure to discourage certain informal practices and official procedures that adversely affect the rights of its members.

These are some of the ways in which group practice could increase the use and effectiveness of legal representation. But whether it will help meet the legal needs of the *poor* depends primarily on whether the poor are organized into groups which have or might have arrangements with lawyers. The indications are that persons of low income are the least likely to be members of organizations.[222] Moreover, within those organizations that provide legal service for their members, the poor may be least likely to avail

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219 They can educate directly by speaking at meetings, or they can work through officials of the organization. For example, certain trade unions have orientation sessions for shop stewards to apprise them of the members' rights to industrial accident benefits and unemployment insurance.

220 *Progress Report* 664.

221 For example, by announcements at meetings, by articles in the organization's official journal.

222 See BROOM & SELZNICK, SOCIOLOGY: A TEXT WITH ADAPTED READINGS 189 (1955); KAHL, THE AMERICAN CLASS STRUCTURE 147 (1957); Knupfer, *Portrait of the Underdog*, in BENDIX & LIPSET, CLASS, STATUS AND POWER 256-57 (1953). CAPLOVITZ, *op. cit. supra* note 183, at 133 where he reports: "For the sample as a whole, and within each racial group, the more solvent families more often belong to voluntary associations. This is particularly true of Negro families."

themselves of representation. It cannot be assumed that all members of the organization will have equal access to the attorney. Furthermore, the cost of representation may still be a barrier to use. Legal problems having organizational relevance may be handled at a reduced rate, but this may not be true of other problems. Finally, since the group-practice lawyer is dependent upon the organization for referrals, he may be reluctant to take cases that conflict with the interests of the organization (*e.g.*, a member's claim against his union). This latter point, of course, does not only affect the poor.

B. *Neighborhood Law Office*

Unlike group legal practice, the newly proposed neighborhood law office is specifically designed to bring needed legal services to the poor.[223] Some version of a neighborhood law office has appeared in the last few years in New Haven,[224] Boston,[225] and New York.[226] All these law offices are connected with a coordinated community service program.[227] In New Haven and Boston, lawyers are assigned to multi-service centers as members of a "social-legal" team. The Legal Services Unit of Mobilization for Youth in New York appears to be more of an independent law office. All three programs deal with the social and legal aspects of the clients' problems and stress the importance of mutual referrals between lawyers and social service caseworkers.[228] Close contact with local law schools is encouraged for the purpose of recruitment of personnel, legal research, or for lending an air of legitimacy to the program.[229]

Because lawyers are placed within the slum community and because of their close ties with the social worker, the neighborhood law office plan has the potentiality of reaching the poor. Its success in doing so rests in part on the caseworker's sensitivity to legal

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[223] Neighborhood law offices have been in existence in Philadelphia for a number of years. These were designed, however, to provide services to middle income persons on a modest fee basis: persons unable to pay a fee are referred to the local legal aid society. See Abrahams, *The New Philadelphia Lawyer*, Atlantic, April 1950, p. 69ff.

[224] Parker, The New Haven Model, Nov. 1964 (paper delivered at the Conference on the Extension of Legal Services to the Poor, Washington, D.C.).

[225] Wells, The Boston Neighborhood House Proposal, Nov. 1964 (paper delivered at the Conference on the Extension of Legal Services to the Poor, Washington, D.C.).

[226] Grosser, The Need for a Neighborhood Legal Service and the New York Experience, Nov. 1964 (paper delivered at the Conference on the Extension of Legal Services to the Poor, Washington, D.C.).

[227] See Parker, *supra* note 224, at 4, 5; Wells, *supra* note 225, at 2, 4.

[228] See Grosser, *supra* note 226, at 4; Parker, *supra* note 224, at 6; Wells, *supra* note 225, at 6.

[229] See Grosser, *supra* note 226, at 2.

problems. For this reason some attempt is made to acquaint caseworkers with the legal rights of their clients.[230]

The Legal Services Unit in New York appears to have gone further than the others in stressing the importance of advocacy (particularly before administrative tribunals) as an instrument of social change.[231] The New York group also feels this type of representation will "do most to familiarize local residents with the fact that the law could be their champion as well as their enemy."[232]

We see three major problems with the neighborhood law office program: First, the more independent and aggressive the neighborhood office, and the more it is dedicated to bringing about institutional changes (in welfare agencies, police departments, landlord practices, etc.) the more likely it is to alienate those very interests upon which it must depend for financial support.[233] Second, the more the neighborhood lawyer becomes integrated with other staff persons in the multi-service center, the greater the risk of his succumbing to the "social welfare ideology" and becoming less committed to seeking legal solutions. Third, there is the problem of staffing the neighborhood law office with competent, dedicated lawyers, particularly after the initial enthusiasm for this program begins to wane. Practice in the larger firms still represents the most lucrative and prestigeful career for the bright young law graduate. It is doubtful to what extent the neighborhood law office will be able to compete for these fledgling lawyers.

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This inquiry into class differences in legal representation reveals the urgent need for an advocacy explosion. This does not mean that every poor person has to have a trained lawyer at his side. It does mean, however, that every person should have the right to some form of legal representation. This may include the following:

(1) Class advocacy—representation of the poor with respect to their common or collective interests, *e.g.*, through the establishment of "house counsel" for groups of tenants, recipients of welfare benefits, consumers.

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230 See Wells, *supra* note 225, at 6.

231 See Grosser, *supra* note 226, at 3.

232 *Id.* at 4.

233 With respect to difficulties encountered in New Haven see Cahn & Cahn, *supra* note 207, at 1348; Parker, *supra* note 224, at 6. Problems in New York City are discussed in Kempton, *When You Mobilize the Poor*, The New Republic, vol. 151, no. 23, Dec. 5, 1964, pp. 11-13.

(2) Selective (or strategic) advocacy—challenging certain established practices, procedures, and regulations (of police departments, welfare agencies, special tribunals, finance companies, landlords) that adversely affect the rights of large numbers of poor persons.

(3) Lay advocacy—use of social workers, clergymen, union officials, and others having continuous relations with the poor, to assert the legal rights of their clients or constituents. Thus, union officials may (and often do) represent their members not only with employers, but before employment agencies, social security agencies, and the like, and social workers may (and do) act as intermediaries with landlords, police, and others. The effectiveness of the lay advocate will be enhanced by increasing his sensitivity to the legal problems of the poor, and by the unequivocal establishment of the poor man's right to legal representation. The latter may provide the same leverage (through the threat of legal action) that is now enjoyed by local merchants when they threaten garnishment proceedings.

(4) Organizational advocates—use of such groups as consumer councils, defense organizations (like the NAACP and CORE), or possibly of specially created agencies like the Scandinavian Ombudsman,[234] can aid in controlling administrative discretion and promoting new legislation.

Finally, we want to make it clear that we are not suggesting that legal representation is the panacea for poverty, but, rather, that lawyers may have a special role to play in alleviating poverty. First, they can promote the dignity of the poor by strengthening their self-assertiveness, their capacity for criticism and dissent, and their ability to affect the basic conditions of their existence. Second, lawyers are essential to further the enfranchisement of the poor, not only by facilitating their participation in the legal and governmental process, but by promoting more effective low-income constituencies for administrative as well as legislative bodies. And this may be a step in bringing about a more equitable distribution of power in our society.

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[234] See Davis, *Ombudsmen in America: Officers to Criticize Administrative Actions*, 109 U. PA. L. REV. 1057 (1961).

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CRISIS

COMMUNITY CRISIS INTERVENTION: A CALL FOR STUDY AND ACTION

This is the first issue of a newsletter designed to provide a medium for exchange of ideas, strategies and accomplishments among individuals and groups who are working in various capacities to achieve social change. The intended audience is diverse: community groups, governmental agencies, research projects, community leaders, community organizers, professional advocate planners, mediators, educators and interested citizens.

COMMUNITY CRISIS INTERVENTION PROJECT

The newsletter is published by the Community Crisis Intervention project (CCI), Laboratory of Community Psychiatry, Department of Psychiatry, Harvard Medical School, under the direction of James H. Laue, an urban sociologist and former official of the Community Relations Service, a federal community intervention agency. The project has been operating informally since mid-1969 and formally through a Ford Foundation grant since October 1970, with a two-year duration in mind. The CCI project combines research, evaluation, action and education in attempting to answer the following central question:

Is there a definable discipline of community crisis intervention, with a discoverable body of techniques which can be systematized, taught, applied, evaluated and refined to help communities achieve positive social change through resolution of the crisis?

A CALL FOR MATERIALS AND NAMES FOR CCI

Readers are encouraged to be in touch with the CCI Project about their activities, and to send materials for inclusion in **CRISIS AND CHANGE**, especially:

— Case studies (which may be abstracted in this newsletter—see p. 2).

— Items for **AT ISSUE**—(p. 3).

— Published and unpublished materials on both theory and practice of intervention.

Suggestions of persons, projects, community organizations and agencies who should be on the CCI mailing list also are invited.

THE PROBLEM AND THE NEED

Crises are becoming commonplace in the neighborhoods, institutions and communities of American society as we seem unable to deal with the problems that generate crises — racism, urban decay, economic insecurity, etc. Many public officials, executives, consultants and others have been responding to crises in a hit-or-miss fashion, with little long-term, systematic assessment of their goals and techniques. Good intentions aside, their intervention often results in mere cooling of symptoms or coopting of protest. What is most desperately needed, in the view of this project, is a body of knowledge to help intervenors act in a way that will address underlying problems and achieve basic social change—an equitable distribution of power and resources, and democratization of decision-making processes.

GOALS OF INTERVENTION

The CCI Project staff believes that the development and practice of community crisis intervention must take place within a context of **specific change goals for the outcome of the crisis.** Many projects and agencies in this field study or practice the processes of conflict and its resolution with no specific goals for the resolution or, in our judgment, the wrong goals. Too many intervenors claim to be working in a value-free context as "simply technicians", not realizing or not caring that their inputs (often geared to the requirements of status quo institutions) do work toward particular ends for the various parties. A major commitment of the CCI Project is helping intervenors, researchers and trainers become more specific about their ultimate goals for intervention—and therefore more aware of their goals and impact. The project attempts to point always beyond settlement of a crisis per se to a consideration of needed redistribution of power in the systems involved.

(continued on page 4)

A CASE STUDY ON HEALTH CARE SERVICES IN CRISIS: WHAT IS COMMUNITY CONTROL ?

During the past few years, low-income communities around the nation have begun to challenge both the right and ability of medical institutions to design health care programs and facilities in their neighborhoods. Community inroads into the planning process have varied from outright control over the planning and operation of health services to minimal representation on planning committees or advisory boards.

The case study abstract presented below describes an attempt by a community group in Boston to achieve control of a health care program that was offered to the community by a major medical institution.

In April 1969, the Harvard Community Health Plan (HCHP), a prepaid comprehensive medical program, organized a series of meetings for residents of the Mission Hill-Parker Hill area in Boston, (a physically deteriorating, ethnically mixed section of the city—population, 12,500). The meetings were convened to discuss HCHP's proposal for including the area in their health plan and to facilitate additional input from members of the community in designing a community-based center to be funded by the Public Health Service (PHS).

By late summer, a nucleus of about 10 community residents decided to form a permanent committee of their own, the Mission Hill-Parker Hill Health Advisory Committee (HAC). HAC members intended to further communicate with HCHP about the health program and to translate their ideas for an Outreach Center into definite shape.

CRISIS AND CHANGE

A quarterly newsletter published with support from the Ford Foundation by the Community Crisis Intervention Project, Laboratory of Community Psychiatry, Department of Psychiatry, Harvard Medical School, 58 Fenwood Road, Boston, Massachusetts 02115.

Entered as third-class matter at Roxbury Crossing Station.

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Productive negotiations proceeded slowly throughout the fall. From the beginning, HCHP indicated that the Outreach Center would play a minimal part in the delivery of health care—mainly to interpret services available to community Plan members and to transport patients to the main health center. HAC, however, envisioned a satellite center, not a storefront center, with full scale medical and social services. HAC members were frustrated by the attitude of HCHP's chief liaison staff member who questioned the legitimacy of their recommendations and who appeared to want the community committee to rubber stamp the Plan's plans.

In January 1970, H C H P informed HAC that the Plan's PHS grant renewal application was due February 1 and that HCHP would like to consult the Committee before writing the renewal forms. Several members of HAC decided that they had to confront HCHP at this time and refuse to settle for a "consultative" role if community participation in health planning or an even more potent goal—community control of the Outreach Center—were to be assured.

The HAC chairman contacted several advisers to help plan a strategy for securing HAC demands. Two professional health advocates, a community legal aid lawyer and a researcher-activist (the CCI staff member) agreed to work with HAC members.

Several crucial events followed: (1) HAC leaders, at the suggestion of the HAC advisers, decided to make formal demands for the inclusion of medical services and for community control of both the Center staff and programs. The demands were formulated in a Memorandum of Agreement to be attached to the PHS grant application. The Plan needed the PHS funds which would be received for enrolling Mission Hill-Parker Hill residents. HAC advisors suggested that community residents appeal to the PHS if strong community participation were not allowed in planning and running the Outreach Center. The ever-present possibility of such an appeal, questioning HCHP's compliance with PHS requirements for consumer participation, was a strong sanction for the community committee in negotiations with the Plan.

(2) Committee leaders presented the Memorandum at a monthly full-membership meeting to press for its approval. HAC advisors agreed that inaction at this point would severly undercut community influence. A negotiating team was chosen to present the Memorandum to HCHP.

(3) After long, tough, negotiating sessions, HCHP and HAC agreed on a compromise agreement: limited medical services in the Outreach Center, community control of staff and programs and $5000 in PHS funds for HAC.

OUTLINE FOR CASE STUDIES IN CCI AVAILABLE . . .

The Community Crisis Intervention Project has developed a long and short form of an outline for analyzing intervention activities. Both focus on evaluating the role and impact of intervenors in achieving basic change from crisis situations. Write for copies.

Although, in accordance with the Memorandum, mechanisms for instituting community control of staff and programs have been established, the amount of actual power won by the community is as yet unclear. Racial tension and distrust have hurt the effectiveness of HAC to date. The future cohesiveness of Committee members will determine how control is implemented—whether HAC will initiate programs in the Outreach Center or whether it will merely approve or veto HCHP proposals. An aggressive Committee will firmly establish lines of responsibility between Outreach Center staff and itself; an unaggressive Committee will concede this role to HCHP. Unless HAC members can function independently of HCHP and develop a strong power base, they will be unable to press for additional powers in operating the Center — (1) control of the

(continued on page 4)

AT ISSUE . . .

A Round-up of Current Intervention . . . Research . . . Training . . . Activism . . . . Advocacy . . . Crisis-Produced Change and Crisis Events Past, Present and Future.

In each issue of CRISIS & CHANGE a page will be devoted to current activities related to community crisis intervention, including:

— Crisis events which have some bearing on the development of CCI as a discipline.

— Notices of grass roots activities, national conferences, agency programs, etc.

— Word of research and training (in game theory applications to intervention and in community-police relations, for example).

— The work of professional advocates, change-agents and mediators.

— Important instances of positive social change resulting from crisis situations, with an emphasis on intervention and resolution strategies that contributed to change.

Readers are invited to submit materials for inclusion in this section.

SELMA REVISITED — "To anyone who was here in the spring of 1965 . . . Selma today is hardly recognizable. Police cars cruise down Broad Street manned by black officers, the schools, restaurants and motels are fully integrated, the ministers are meeting in interracial gatherings, the old dirt roads in the black sections are being paved, the dismal wooden shacks are giving way to new housing developments and more than 12,000 blacks are registered voters. Most significant of all, there is clearly a new sense of cooperation and communication between black and white."

This is the assessment of the situation in Selma, Alabama, today by Haynes Johnson of the Washington Post, who covered the intensive voter registration activities and March to Montgomery in 1965. The campaign, which involved sustained and high-risk activism by thousands of blacks living in the Selma-Dallas County area, was sparked by the work of the Student Nonviolent Coordinating Committee and the late Dr. Martin Luther King's Southern Christian Leadership Conference. From a CCI perspective, the most significant impact, not cited in Johnson's analysis, is the registration of more than 1.5 million new black voters throughout the South under the Voting Rights Act of 1965—whose introduction and passage were a direct result of the Selma crisis and national television coverage of some especially brutal responses by Dallas County and Alabama officials to registration attempts and demonstrations.

THE MEDIATORS — A number of persons, projects and agencies throughout the country are practicing and studying the application of negotiation, collective bargaining and mediation to disputes outside the labor-management area — notably in racial, community and university crises. Several important activities in this field are noted below.

— The Center for Teaching and Research in Disputes Settlement, Law School, University of Wisconsin (Nathan Feinsinger).

— The National Center for Dispute Settlement of the American Arbitration Association in Washington, funded by the Ford Foundation (Willoughby Abner).

— The Racial Negotiations Project, Institute of Labor and Industrial Relations, University of Michigan and Wayne State University, funded by the Ford Foundation (W. Ellison Chalmers).

— The Board of Mediation for Community Disputes (Ronald Haughton) and the Center for Mediation and Conflict Resolution (George Nicolau), funded by the Ford Foundation at Automation House in New York.

More about these and other approaches in a future Special Issue on mediation and negotiation approaches to community crisis intervention.

NATIONAL LETTUCE BOYCOTT — The United Farm Workers Organizing Committee (AFL-CIO), headed by Cesar Chavez, is involved in another sustained national boycott after winning unionization for Chicano grape workers. The campaign against non-union lettuce-growers and non-representative unions has followed the same pattern successfully applied in the grape strike.

A month's moratorium on the boycott ended April 26. It was part of a program to work out a permanent settlement between UFWOC and lettuce growers.

SELF DETERMINATION: RED, BROWN, BLACK — This was the theme of the 24th annual National Conference for Human Rights Workers, which drew 300 persons to Tulsa last October. It was sponsored by the National Association of Human Rights Workers (formerly NAIRO—the National Association of Intergroup Relations Officials). The theme and program directed the attention of the field to helping minority groups build power for self determination in contrast to the more typical professional roles as liaison between minority and dominant groups. A series of workshops entitled "Professionals and Social Change" focused the participants (minority leaders as well as human rights professionals) on the intervention activities and impact of professionals. The crucial questions were and are: Which side are you on? Does being professional mean you must always be "neutral"? Is your major goal social change or conflict resolution?

Speakers and resource leaders included Miss Jessica Govea, coordinator of the UFWOC's lettuce boycott; Mrs. Stella Leach of the National Indian Women's Action Corps, a leader in the Indian reclamation of Alcatraz; Rev. Charles Koen of the Black United Front in Cairo, Illinois; W. Haywood Burns, Director of the National Conference of Black Lawyers; Armando Mendoza, founder and first President of Mexican American Self Help at McNeil Island Federal Prison in Washington State; and Jack Agueros, Director of Mobilization for Youth in New York City.

More information on the National Association of Human Rights Workers: from their office in Washington (2027 Massachusetts Avenue, N.W. 20036, Alexander Paxson, Director). More information on the intervention cases prepared for the workshops: from the CCI Project office, which coordinated the conference program.

AHEAD IN "AT ISSUE . . ." — More on crisis intervention as it applies to law enforcement. Federal, state and local efforts in crisis and conflict resolution. Drug programs—for a problem which has been of crisis proportions among some relatively powerless groups for many years, and is now becoming publicly recognized as a "crisis" because of its intrusion into the dominant middle class society. Student rights and student unrest. Laboratory experiments in crisis and intervention.

Change is power to the people.
Change is more power to the people.
Change is more power to the people who already have it.
Change is
Diffusion of power.
Equalization of resources.
Greater self-determination.
Violence is an agent of **Change.**
Conflict is a **Change**-agent.
All conflict results from **Change.**
Change need not result in conflict.
All **Change** results from conflict.
Black **Power,** Brown **Power,** Red **Power,** Woman **Power.**
Power: who gets what, when, how?
Power is control over decisions—and lives.
Power makes might right.
The consequences of **Change** will almost certainly be tension-producing as well as possibly tension-reducing.
¡ Todo el Poder al Pueblo!

FREDERICK DOUGLASS ON CRISIS AND CHANGE (1863)

Those who profess to favor freedom, and yet deprecate agitation are men who want crops without ploughing up the ground. They want the rain without thunder and lightning. They want the ocean without the awful roar of its many waters. . . Power concedes nothing without a demand. It never did and never will. . . Men may not get all they pay for in this world; but they must certainly pay for all they get.

Intervention stimulates democratic decision making.
Intervention is counter-revolutionary.
The **Intervenor** chooses either to enable people to make choices or to assert his own choices.
Individuals and institutions are more suggestible during **Crisis.**
A mobilization of new resources occurs in personalities and the social system in **Crisis.**
Crisis represents both danger and opportunity—but always a turning point.
Crisis means the establishment group can no longer ignore the sanctions of the subordinate group.
The **Crisis Intervenor** is an information broker.
The **Crisis Intervenor** promotes change.
The **Crisis Intervenor** helps parties keep options open.
The **Crisis Intervenor** helps parties define goals and strategies.

(CCI: continued from page 1)

ROLE OF NON-PROFESSIONALS

The role of non-professionals in community crisis intervention is a crucial concern. Is intervention the sole property of trained professionals? Can the activities of unpaid community organizers and grass roots leaders be called "intervention"? Community intervention is now being practiced consciously almost exclusively by professionals with limited change goals, who often prepare community people to be willing recipients of aid rather than provide them with the impetus and skills to mobilize their own resources. Unless community crisis intervention can become legitimated as an appropriate activity for non-professionals, it too may go the way of other change techniques—coopted, domesticated and defused by establishment institutions.

CCI: AHEAD

Whether a systematic, change-oriented discipline of CCI can be achieved depends largely on the development of a network of communication among intervenors throughout the country—non-professionals as well as professionals with a variety of backgrounds and training. CRISIS AND CHANGE is intended to serve as a starting point for that network.

(Case Study: continued from page 2)

budget and (2) an all-community governing structure rather than the mixed HAC/HCHP structure (with a 4-to-3 community majority) that now exists.

HAC secured limited-referral-emergency-type care in the Outreach Center rather than full medical services. Although the community did not win complete say in designing HCHP's Community health care component, the Plan did concede some of the control it had intended to exercise and recognized more fully the right and expertise of the community to plan its health care services.

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PERMIT NO. 53562

NEXT ISSUE
Report From A National Workshop on Community Crisis Intervention.

ADDRESS CORRECTION REQUESTED

CRISIS

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Report from the National Workshop On Community Crisis Intervention

On April 21-23, 51 persons gathered in Cambridge to explore the possibilities for pooling their knowledge and experiences in affecting social change. They were black, brown, and white community activists; advocates-for-change from government agencies, religious bodies, human rights organizations and educational institutions; professional mediators; and researchers and evaluators working in community crisis and change.

The participants were convened by the Community Crisis Intervention Project to help develop an overview of the field of intervention and to institute a critical evaluation of the diverse kinds of activities currently underway.

The overriding concern of the CCI Project in sponsoring the workshop was that accumulated knowledge and techniques in community crisis intervention should benefit grass roots, minority and otherwise powerless groups seeking self-determination.

This issue of *Crisis and Change* reports on a National Workshop on Community Crisis Intervention sponsored by the Community Crisis Intervention Project April 21-23, 1971, at the Sheraton-Commander Hotel in Cambridge, Massachusetts. The complete 100-page report of the Workshop is available free of charge from the Project. It includes intervention theory and techniques which emerged from the Workshop, a strategy training device and the report of its play at the Workshop, and a list of invitees and participants. Address:

Community Crisis Intervention Project
Social Science Institute
Washington University
St. Louis, Mo. 63130

The Project moved to Washington University from Harvard Medical School on September 1 when its director, James Laue, assumed the position on Vice Chancellor for Campus Affairs at the University.

Case studies, materials on intervention and crisis theory, and information on the activities of *Crisis and Change* readers are welcomed by the Project.

Workshop Program

Wednesday, April 21, 1971 — Evening Session

1. Introduction and Plan for the Conference
2. Two Crises

Local: Dispute over expansion of Harvard Medical School and teaching hospitals in surrounding residential areas. Robert S. Parks, President, Roxbury Tenants of Harvard Association.

Regional/National: The continuing crisis for migrant workers in America, and the advent of unionization for farm workers. Marcos Munos, Northeast Regional Coordinator, United Farm Workers Organizing Committee, (AFL-CIO, Cesar Chavez, President).

Thursday, April 22, 1971 — Morning Session

Strategizing Sessions on Community Crisis Intervention: The Rainbow Park Land Dispute (a hypothetical crisis in which participants divided into groups of Activists, Advocates, Mediators, and Evaluators to develop intervention strategies for a dispute over usage of a tract of inner city land.

Afternoon Session

1. Strategy reports by Activists, Advocates, Mediators
2. Critique of Strategies by Evaluators and Participants

Friday, April 23, 1971 — Morning Session

Workshops on Intervention Problems and Techniques

1. Teaching Intervention Skills: Is It Possible?
2. Large Scale Disorders: Is There a Role for Crisis Intervenors?

Afternoon Session

Community Crisis Intervention: Where Do We Go from Here?

Development of Directions for CCI Project Staff and Workshop Participants in Developing a Crisis Intervention Network. *(Continued on page 2)*

Two Crises, Local and National

The opening session of the Workshop was focused on techniques and strategies developed by grass roots organizations for both creating and dealing with crises regarding their own situations. Two Workshop invitees, Robert Parks and Marcos Munos, talked about ongoing conflicts in which they were deeply involved.

Parks and members of the Roxbury Tenants of Harvard Association have been engaged in a land dispute with Harvard Medical School. This conflict is primarily local in scope.

Munos, as New England Regional Coordinator for the United Farm Workers Organizing Committee, has organized California regional farmers and mobilized economic and political pressure in New England against Southwest growers. This conflict has a state, regional and national focus.

Workshop participants, commenting on the presentations, noted that common outcome of the tenants' and migrant workers' response to crisis in their communities was the strengthening of individual and group esteem as well as power. When groups learn the political techniques of organizing, they build a more positive sense of personal worth; this new identity led in these instances to the further development of skills for dealing with establishment powers.

The Lettuce Crisis

Several participants had discovered non-union lettuce in the hotel kitchen, despite a specific demand by the Workshop staff to the contrary. After hearing Mr. Munos speak about the farm workers and the lettuce boycott, several participants opened a long debate to consider how the Workshop should respond to the hotel's actions. Participant response ranged from disbanding the Workshop in protest, to selecting a fact-finding committee to settle the problem with the hotel.

The immediate issue was resolved through discussions with the hotel owner, who had his produce distributor remove the non-union lettuce the next day, and secured a committment to deliver only union lettuce in the future. However, Munos believed that the lettuce crisis in itself had been a useful learning experience for the participants. Project staff observed that:

1. The heated debate demonstrated the difficulty encountered when change-agents with diverse background, experiences and orientations toward change try to work together.

2. Professionals and non-professionals have much to learn from each other. Throughout the debate, participants appealed to Munos for a solution to the crisis. Munos refused to propose any course of action, for he wanted participants to face a live crisis requiring hard committment.

Intervention Roles

What is an intervenor? Are there different types of intervenors? What kinds of things does an intervenor do?

These questions had to be considered by Workshop participants before they discussed either strategies for bringing about social change or methods for encouraging cooperation among intervenors. The answers that evolved from the Workshop are the result of both participant involvement in Workshop sessions and the previous research and action experience of the CCI Project staff.

1. What is an Intervenor?

An intervenor is an outside person or organization who enters into a community conflict or crisis to help the disputing parties resolve their dispute.

An intervenor is an outside agent who acts between parties in dispute to further communication and to ultimately bring about greater power for self-determination for the minority or powerless group.

An intervenor is an individual or group of individuals who intercedes in a crisis situation as a third party to prevent suppression of the crisis and to assist systems and actors in crisis to mobilize their resources for social change.

2. Are there different types of intervenors?

Four basic categories of intervenors were identified by the Project staff – Activists, Advocates, Mediators, and Evaluators. Each intervenor type was represented at the Workshop. The roles, source of acceptability or legitimation with the parties, strengths, limitations and goals of each type of intervenor were thoroughly examined by Workshop participants.

Activists are individuals with intervention skills who are members of protest, minority, non-establishment or "out" groups. Since their lives may be directly affected by the outcomes of community disputes and crises, activists are often participants in the dispute as well as third party intervenors. Activists work directly with the non-establishment party, and are legitimated with the community by their personal involvement in the outcome; the establishment party may recognize activists as legitimate spokesmen for the "out" group because of their acceptability with that group.

Advocates, while not members of the conflicting groups in a community crisis, nevertheless support the goals of at least one of the parties. Community organizers, management consultants, city planners and lawyers may play an advocate role. Advocates achieve legitimation with one or more of several routes: (1) recognition of their technical abilities; (2) approval of their attitudes or orientation to the issues; (3) acceptability to and knowledge of the inner workings of an opposing party.

Mediators are third parties who assist conflicting parties in reaching a mutually acceptable settlement of their differences. Mediators are technically neutral, but may possess values and commitments which influence their work as conflict-resolvers. A mediator's neutrality and professional demeanor are his primary sources of legitimation.

Evaluators are researchers, social scientists or policy analysts who study social conflict and crisis. They may be involved in a demonstration or action project. Although an evaluator should maintain his professional objectivity, a crisis or conflict situation may affect his assessment of a situation or of possible courses of action. His recommendations in turn may determine the policy of one or more of the parties. As in the case of the mediators, an evaluator gains legitimation with the parties because of his professional credentials and objectivity.

3. What kinds of things does an intervenor do?

organizing	negotiation
strategizing	arbitration
planning	mediation
consulting	communication

brings in outside resources
advocates position of one party to another
helps parties determine their goals
devises trade-offs
writes proposals
develops criteria for assessing the outcome of crises

This list of intervention skills is by no means complete. New roles for intervenors are continually emerging; furthermore, additional activities will arise as each specific crisis demands.

Rather than enumerating specific intervention skills *per se*, Workshop participants focused on criteria for evaluating strategies and explored the relationship of the intervenor to client groups. *(Continued on page 3)*

The Rainbow Park Strategizing Session

In designing the Workshop program, the CCI staff wanted to promote an exchange and comparison of strategies and techniques in the participants' approaches to crisis. Accordingly, a composite case study drawing on elements from numerous actual crisis situations was prepared for use in the Workshop. It was called *The Rainbow Park Land Dispute.*

In the case, Rainbow Park is a racially mixed. low income, physically deteriorating neighborhood of approximately 30,000 residents in a city of 500,000. Three-fourths of the Rainbow Park residents are non-white; approximately 35 percent of the entire city's population is non-white. Although living conditions and delivery of municipal services have kept the residents in states of personal and family crises for years, the city-at-large does not take in serious notice of the problems of the area until a dispute arises over disposition of a three-block tract of cleared land bordering on Rainbow Park, nearby John Upright University, and the central business district.

Protest demonstrations arise from Rainbow Park residents and students when the University is awarded the land for expansion. There is picketing at City Hall, a take-over of the administration building at the University, mass organization in the neighborhoods, and the threat of a suit by businessmen against the city because they want the land for a new mall. The case is brought to this point of crisis for the Workshop.

Participants were divided into groups representing the four intervenor roles – Activists, Advocates, Mediators and Evaluators – and were asked to devise strategies for tackling the dispute consistent with their role assignments.

Since a major goal was getting participants to explore their own value systems regarding suitable goals and outcomes of crises, the Evaluators were asked to try define "positive social change" outcomes, and to evaluate each set of strategies against these criteria. The staff expected that the discussion of strategies would raise ideological questions: Should the intervenor be neutral? Should he subvert the system that may be paying his salary? If so, how cam this best be accomplished?

Evaluative Criteria

The evaluator group was asked *first*, to establish criteria for assessing the feasibility of outcomes that might emerge from the dispute and *second*, to develop criteria for determining feasible intervention strategies. Some interesting concepts emerged from their deliberations.

Outcome Feasibility Criteria–

1. Each settlement or resolution of a crisis must include the following elements to be both realistic and successful:

   (a) Each party gains something; no one totally "loses".
   (b) Each saves face.
   (c) Shifts in power must occur in the direction of greater self-determination for the community.

2. Any agreement should have mechanisms built in to insure that the terms are carried out, and to provide ongoing communication to prevent or to deal with crises that may arise.

3. If possible, each party should satisfy its highest priority needs – both short and long term.

Strategy Feasibility Criteria–

In putting together an intervention strategy the following conditions should be considered:

1. Practicality

Is the strategy realistic in terms of the social climate, relative power of the parties and possible involvement of additional interests?

2. Cost

3. Resources available

Possible outside resources and skills should be considered, as well as the assets of the parties themselves.

4. Sequence and Timing

There are a variety of alternative sequences of ho trade-offs might occur. The timing of events can determine the responses of the parties and hence the final outcome.

The Intervenor-Client Relationship

In the Thursday afternoon plenary session, participants presented the strategies they had devised for Rainbow Park. A critiquing session followed. The discussion that ensued focused on the role of the professional Advocate and Mediator.

The *Advocates*, members of a consulting firm, had been hired by the University to protect its interests in the land and to stave off a black student revolt in support of minority community claims for the land site. The Advocates had decided to impose a number of requirements on the University that indicated their support of the minority community before accepting the job offered.

Workshop participants critiqued the Advocates for proposing the pre-conditions to the University, since this would severely limit their chances of being hired. They suggested that the Advocates first try to gain legitimation with the University as its advocate, and then try to get the University to cooperate and communicate with the minority community. By obtaining an "inside advocate" position, they could better serve the community whose goals they supported; they would have ready access to University strategy circles and leadership.

Participants questioned the ability of the Advocates to gain legitimation with community. As a partial solution to this dilemma, it was suggested that black students be brought into the policy control board of the advocate consulting firm, but not as "community liaison finks". By making them a part of the board, it would be the students' role to communicate with the community, not the role of the professionals.

The *Mediators*, members of a national community dispute settlement firm, were hired by the city to mediate among the various factions vying for the land parcel.

In describing their strategy, the Mediators insisted that they were impartial in the dispute. Other participants asserted that neutrality was impossible; their timing of decisions for meeting with the parties and preparations for setting up communication among the parties reflected value judgments. The Activists insisted that the community would reject the Mediators if they were impartial, and that the Mediators had to indicate their support for empowering the grass roots community. Therefore, the Mediators should not have a hidden agenda, but should be explicit to all the parties about their value system. Many non-Activist participants agreed.

The allegiance of the intervenor to one or several bases in a community dispute was an issue that permeated the Workshop program. Although participants by no means resolved the problem, a great deal of progress was made indefining the inter-relationship of the intervenor, his clients and other parties in dispute.

Techniques of Community Crisis Intervention

The Workshop program had offered a series of eight workshops on Techniques of Community Crisis Intervention for Thursday afternoon and Friday morning, in which participants would be encouraged to share their experiences, needs, programs and plans for work in specific areas of the field. Topics ranged from law, justice and repression to strategies for change in education.

After the Thursday afternoon workshops were cancelled so participants could continue strategizing the Rainbow Park case, two topics attracted large numbers on Friday morning – "Intervention in Large-Scale Disorders" and "Teaching Intervention Skills: Is It Possible?" Both sessions are described in detail in the full report of the Workshop, available from the Project office at Washington University. Because of the breadth of participants in the teaching session – and because of the long-range implications of training for the field of CCI – the discussion on "Teaching Intervention Skills" is summarized here.

Participants in this session included most of the professional mediators at the National Workshop as well as persons representing funding sources and grass roots community activist groups. They were concerned with how to transfer intervention skills to both professionals and community folk. They were first asked to identify some of the problems they had encountered in attempting to transfer intervention techniques, both through formal teaching methods and other approaches. They noted the following problem areas:

- teaching intuition
- screening potential intervenors for sensitivity
- defining intervention roles
- defining the discipline
- identifying intervention skills
- imparting a value system
- expanding a training system from a smaller select group to a total system
- imparting commitment to a method

A problem emphasized by all the participants was the difficulty in getting professionals and non-professionals to learn from each other.

After providing this framework for discussion, participants were asked to describe their own projects and training programs. Since many of these programs are new or are still in the planning stages, a number of questions were left unanswered.

Mediator Training Programs

– Can a mediator be neutral? If we say yes, then we must ask if the inclination to be neutral is part of the sensitivity for which we screen trainees and which we try to impart.

– Our goal is to train mediators of community disputes but we are satisfied if a trainee leaves knowing more about mediation, negotiation, etc. and therefore becomes a better community advocate or activist.

– In addition to training mediators, it may be more important to train parties in the dispute to understand what the mediation process is.

Police Training Intervention Programs

– How can we train policemen to be

(Continued on page 6)

Where Do We Go From Here:

THE FUTURE OF COMMUNITY CRISIS INTERVENTION AND TASKS AHEAD FOR THE CCI PROJECT

The final portion of the program was designed to synthesize the ideas generated by the Workshop and to chart a course for the future directions to be taken by the CCI Project, Workshop participants, and other in the intervention network.

Although time did not permit as complete an assessment as anticipated, a number of significant concepts and suggestions were advanced. Several are summarized below:

Expanding the CCI Network

Investigate opportunities for increasing minority participation and influence in the community crisis intervention network (especially in mediation/arbitration projects). Locate apprenticeship programs. Encourage others in the networks to expand minority involvement and to accept and make referrals.

Use Project contacts and Workshop participant contacts to acquaint more intervenors and community groups with the CCI discipline. Encourage a pooling of knowledge of crisis concepts and intervention techniques.

Intervention Roles

The brokering role of the intervenor is crucial in a community crisis, especially in conveying and legitimating black and brown needs to white power groups.

Transferring intervention skills to a community group over the period of a crisis will help develop self-sufficiency for successfully meeting new crises.

Non-professional Intervenors

Convene workshops for non-professionals, blacks and browns to share knowledge and skills re crisis intervention.

Convene workshops for professionals and non-professionals to facilitate a reciprocal sharing of experiences and to compare and develop intervention strategies.

Initiate new programs and broaden existing ones for transferring intervention skills to non-professionals.

CRISIS AND CHANGE

A quarterly newsletter published with support from the Ford Foundation by the Community Crisis Intervention Project, Social Science Institute, Washington University, St. Louis, Missouri 63130.

Entered as third-class matter at Roxbury Crossing Station.

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Alana Cohen of the CCI Project staff was coordinator of arrangements for the Workshop, and drafted this edition of *Crisis and Change* from the complete Workshop report. Project director James Laue chaired the Workshop. They were assisted in planning and implementing the program by staff members Bill Lee and Heidi Mann, and student intern Patti Schultz.

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(Continued from page 4)

intervenors in other than a forceful way? Neutrality is a serious problem for us. Up until now the police have not been neutral; they have upheld the law for the benefit of the rich, politically powerful segments of society. Is it possible to teach neutrality?

– How can we transfer skills from a unity of seven persons well-versed in a conflict management orientation and techniques, to a department of 400? How do we develop techniques for transfering these conflict management skills?

– Conflict management is in danger of being coopted. Police need to change their role to become advocates of the people, instead of advocates of the status quo.

– There is an overabundance of training for middle class persons, but few changes for community folk to receive training.

– Community people should be taught how to get access to the system, how to use the system, how to achieve power, how to use negotiation for change and when not to use it because it may lead to cooptation.

In concluding, participants indicated that the lack of information available on transferring intervention skills is startling. CCI can become an important discipline for promoting positive social change only if intervenors from diverse backgrounds can develop metho s to quickly transfer their approaches and skills to large groups of professionals and community folk who share their concern for eliciting change from crises rather than cooling, cooptation or repression.

(Continued from page 5)

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CRISIS

Intervenor Roles I
The Mediators*

The last issue of **Crisis and Change**,"A Report on the National Workshop on Community Crisis Intervention," commented briefly upon the roles that third party intervenors can play in a conflict situation. These roles are **mediator, advocate** and **activist.** Because so few people are acquainted with these roles and since many of our readers have expressed the need for a clearer understanding of what these intervenors do, the CCI staff are devoting the next three issues of the newsletter to a detailed discussion of each role.

Each issue will cover a number of important questions about the intervenor: What kinds of tasks does the intervenor perform? What special skills does he need to have? What is his relationship to the parties in a dispute? And, how effective is the intervenor in bringing about change? In addition, the newsletter will include a case study that describes possible roles for an intervenor in a conflict situation. Finally, there will be a section of the newsletter introducing individual projects or agencies around the country that are serving as intervenors and helping communities achieve their goals for change.

Community Crisis Bibliography

*The CCI Project would like to credit the following individuals and projects upon whose research, observations and experiences this issue of the newsletter is based:

–W.E. Chalmers, University of Michigan, Ann Arbor, Michigan

–Preston Wilcox, Afram Associates, New York

–Center for Mediation and Conflict Resolution, New York

–National Center for Dispute Settlement, Washington, D.C.

Because of an overwhelming number of requests for the **Crisis, A Change, Power and Intervention Bibliography,** we have run out of copies from our first printing. Additional copies are currently being prepared, but we must now charge $1 to help cover costs. Requests should be addressed to the Project office.

This issue explores the role of the **mediator**; the second issue will deal with the **advocate**, and the third, the **activist** role.

What Is Mediation?

Mediation is the process by which a third party who is acceptable to all the conflicting parties in a dispute helps them in reaching a mutually satisfactory settlement of their differences.

What Community Conflicts or Crises Can Be Mediated?

Any community dispute can be mediated if there are identifiable parties with recognized leadership who can represent them and who agree to participate in face-to-face bargaining with the other party or parties. Both sides must be willing to reach a settlement which is less than a total victory for either party. The dispute may occur in an organization, an institution, a neighborhood, a city or a larger geographic or political area.

Examples of conflicts that are currently being mediated are disputes between

landlords and tenants
administrators and students
merchants and consumers
clients and agencies
management and labor
racial groups

These disputes arise when at least one party becomes dissatisfied with the existing allocation of resources or the current arrangement of power, and takes action outside "normal" channels. Students challenge teachers, administrators and boards about curriculum, conduct codes, grievance procedures and teaching methods – but not through the student council. Welfare recipients challenge agencies about benefits and procedures – but not via individual complaints to the case worker. Tenants challenge the public housing authority about rents and rats and control – but not through the tenant advisory council or a written complaint.

Mediation is an appropriate process for resolving

(continued on page 2)

(continued from page 1)

resolving a community conflict if both parties are seeking a middle range of goals – redistribution of resources, influence on decisions affecting the use of resources, grievance machinery or tension reduction. Mediation appears to be useful when one of the parties is interested in a redistribution of power, but it is not yet clear whether this applies in **all** situations. In some instances, mediation simply may assist an establishment group in coopting the challengers. The process clearly is inappropriate if the goal of the dominant group is repression or the goal of the subordinate group is revolution.

What Do Mediators Do?

The mediator is legitimizer. He is often called upon to convince the establishment party to recognize the protesting group. This is no minor accomplishment. The acceptance of a minority or community group as a legitimate bargaining agent is a major concession by an institution or administration that normally exercises its power without interference. The mediator must assure the establishment party that the protestors are reasonable and that they will abide by the agreement that is reached.

whether to intervene, and only then, **when** to intervene.

The mediator is a resource expander. During the course of negotiations, the mediator helps the disputants secure technical information that may be relevant to their agreement or he may contact outside experts to clarify important procedures or legal requirements. In addition, as a resource expander, the mediator might suggest ideas that add a new dimension to the negotiations or give one or the other party additional points to strengthen its bargaining position.

The mediator is a facilitator. In a community dispute, he often furnishes a meeting place and financial support for the negotiations, since neither party may have the necessary resources.

As an integral part of his mediating duties, the mediator aids the parties in formalizing the issues that will be discussed; sets the agenda and chairs the meetings. He also plays and indispensable role in shaping the final agreement. Although the specific demands are on the table, the mediator tries to determine the underlying problems behind the dispute and the motivations of each party in pursuing their goals. It is often what are

work, hence one that will not result in an immediate resumption of conflict.

The negotiation process itself determines the extent to which a mediator can favor one party over another. Obviously, the parties would not accept him initially if he had a reputation for unfairness. Moreover, if a party felt that a mediator was acting unfairly during negotiations, he could easily stop all discussions and withdraw from the session.

Why Should Grass Roots Groups in Conflict Agree to Mediate?

Negotiations convert power and potential power into a settlement that approximates the relative position of each party. Community groups choose to negotiate when they wish to solidify the gains they have made so far, when they want to buy some time to reorganize, develop new strategies or to further develop their power base. The mediated settlement is a middle range adjustment; whether or not it stands as the final outcome of a dispute depends on the goals of the community group. However, research on community conflicts has shown that a community group should not accept an agreement that takes away its reasons for continuing as an organization.

"If you have the power to get what you want on your own, then you don't need me. If not, then let's talk about how I can help you get what you want short of 100 percent."

On the other hand, the protesting group may be unwilling to negotiate with the establishment party. It may also feel that the establishment is unreasonable and is interested not in working out concessions and compromises, but in de-escalating the crisis and weakening the resolve of the protestors. The mediator in this case may try to convince the subordinate group that negotiations and mediation are preferable to a continuation of the conflict.

However, the mediator should not bring the conflicting parties to the table too soon, that is, before the subordinate party has acquired some bargaining skills, is sufficiently organized to choose legitimate representation and has achieved **enough power to have something to trade.** Similarly, the mediator should not wait until too late, after the subordinate party's power has peaked or when it is no longer advantageous to one party to bargain, Finally, a mediator should pay special attention to the existing mechanisms for conflict resolution, taking care not to undercut alternative machinery or strategies for getting successful (i.e., lasting and change-producing) settlement.

In summary, the mediator must decide

presented as the non-negotiable demands that may be the key to the dispute and thus to its resolution.

The mediator focuses the parties' attention on the realities of the situation; he should not raise expectations for achieving greater consessions than are likely given the needs of the individual parties and the conditions under which the agreement will be implemented.

The mediator facilitates agreement. He does not force his conclusions, but rather allows the disputants to make their own decisions. Again, this is essential if the agreement is to stick.

What Is the Relationship of the Mediator to the Conflicting Parties?

Is a mediator a neutral party in a dispute? The CCI Project and many persons who serve as mediators would argue, no. Merely by suggesting mediation as a way of dealing with a conflict the mediator is advocating change. Furthermore, his decision on when or whether to intervene is an important factor affecting the outcome of a dispute. However, the mediator must be an objective party. He does not encourage unrealistic demands and helps both parties recognize this danger. The mediator supports an agreement that will

Mediation is often the quickest route to getting concessions from the opposition, since it is a process that establishment powers are coming to recognize and accept. Community groups that can develop good negotiation skills and that understand how the mediation process can be advantageous to them will come out ahead. On the other hand, mediation at a particular time may be the only route to recognition by the establishment power and a way of setting up direct communication in a non-communicative or chaotic situation. A prison riot or work stoppage is a good example of where this may be true.

What can a mediator do for community groups? He can help them gain recognition, establish new contacts, cut through red tape, locate new resources, or use the ones they already have to the best advantage.

Mediation is not suited to all conflicts and disputes. A community group must carefully weigh all the pros and cons before pursuing this course of action.

Case Study

*Case Study in Mediation: the XYZ Housing Dispute**

Below is description of a community dispute that was submitted to mediation. The case study illustrates the kinds of demands that can be negotiated and the roles that can be played by an intervenor who serves as a mediator in a dispute. Both the advantages and disadvantages of negotiation as a strategy for community groups becomes apparent.

The Setting and the Crisis

The XYZ Housing Corporation owns and operates a 1400 unit apartment complex in New York City. Although the housing complex is located in an area with a substantial Black and Puerto Rican population, only seventy units are occupied by minority tenants.

In May, 1970, a Puerto Rican Association, with the support of several other community groups, staged a sit-in in XYZ offices. The demonstrators were protesting alleged racial discrimination practiced by XYZ in its rental policies and towards its employers. A representative of XYZ immediately contacted a staff member from the **Board of Mediation of Community Disputes (BMCD)** to help him deal with the protestors. The BMCD mediator met with both parties at the site of the sit-in, worked with them to clarify issues involved and convinced both sides to submit these issues to "meaningful mediation". The BMCD mediator was acceptable to the parties as an intervenor in the dispute, because of his professional reputation.

XYZ officials were particularly disturbed by the possibility of future demonstrations and unfavorable publicity. The owner of XYZ, whose son was running for political office, wanted the dispute settled before a racial incident developed that would hurt his son's chances of election. The Puerto Rican coalition intended to exploit the timing of the situation to win some concessions for the community and therefore agreed to negotiate. The parties agreed to consider the following issues:

1. That all vacant apartments be identified.
2. That an ethnic breakdown of present tenants be provided.
3. That first preference for future vacancies be given to Black and Puerto Rican applicants including employees, according to the date of application.
4. That discrimination against minority staff in the use of facilities be stopped.
5. That minority employees be given equal opportunity for promotions.

Although both rental and employee issues were presented, the discussions focused on the housing demands.

*This case study is based on the activities of the Board of Mediation of Community Disputes, Automation House, New York City. It is abstracted from a report written by Gerald Cormick, Research Director.

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Who Are the Mediators?

Organizations Involved in Training, Research and Action on the Uses of Mediation in Community Conflict Situations

The Racial Negotiations Project at the University of Michigan – Wayne State University has conducted the only major study on the uses of negotiation and mediation techniques in community and racial conflict (1968-71). Directed by W. Ellison Chalmers, the Project pruduced a book, several comprehensive research reports and a series of case studies, all available through the Institute of Labor and Industrial Relations, University of Michigan, Ann Arbor, 48103.

The Scholarship, Education and Defense Fund for Racial Equality (SEDFRE – 164 Madison Ave., New York 10016) has been training grass roots and minority groups since the mid-1960's in skills of mediation as well as negotiation, leadership and organizational development. The Director is Marvin Rich. SEDFRE publishes an excellent pamphlet entitled **Negotiation: A Tool for Change.**

The National Center for Dispute Settlement (1815 H Street N.W., Washington D.C. 20006) was established with Ford Foundation support in 1968 to apply mediation and other proven techniques of collective bargaining to the resolution of community, racial, campus and public employment disputes. A unit of the American Arbitration Association, the Center is directed by AAA Vice President Willoughby Abner. In addition to direct involvement in more than 400 disputes, the Center is concentrating on (a) building systems of conflict resolution to promote orderly change within institutions, and (b) training (particularly in negotiations skills). Training courses, educational materials, consultation and mediation have been offered to cities and organizations throughout the country. Local representatives and/or local centers have been operating in Philadelphia, Hartford, Detroit, Boston, San Francisco, Los Angeles and Jackson (Miss.), with more planned.

The Center for Mediation and Conflict Resolution was established at Automation House in New York City in January 1970 to train grass roots residents, agency personnel and mediators in negotiation and mediation skills applicable to resolving racial and community disputes. The Board of Mediation for Community Disputes was established at the same time as the action arm for direct intervention in disputes in the New York area, but as of January 1,1972, the entire operation was subsumed under the Center. Also funded by the Ford Foundation, the Automation House effort has been actively involved in training and systems building in the New York area, with direct intervention in near-by cities as well, including Philadelphia and Newark. Former New York State legislator Basil Paterson became director of the joint organization January 1. George Nicolau, who pioneered the training component during the last two years, is Vice President for Training, and Arthur Barnes joins the Center as Vice President for Services. The Center is located at 49 East 68th Street, New York 10021.

The Community Relations Service of the U. S. Department of Justice was established under the 1964 Civil Rights Act to promote voluntary compliance with the provisions of the Act, and to assist communities in resolving disputes related to racial discrimination. The Service has offices in approximately 50

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CRISIS AND CHANGE

A quarterly newsletter published with support from the Ford Foundation by the Community Crisis Intervention Project, Social Science Institute, Washington University, St. Louis, Missouri 63130.

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Case Study . . .

(continued from page 3)

What was the Role of the BMCD Mediator?

During the first negotiations session, the BMCD mediator helped the parties work through the issues and develop trade offs.

The role of the mediator was crucial in convincing the parties to submit their differences to mediation and to continue negotiations despite the difficulties that arose. XYZ was originally hesitant to recognize the coalition as a legitimate spokesman for the community; the coalition questioned the value of negotiations. The mediator pointed out the advantages to both sides and offered his offices as a neutral setting for meetings.

Outcome of the Negotiations

In the second session, the mediator assisted the parties in setting down the terms of the final agreement. XYZ Housing agreed to take the following steps:

1. Notify persons who had been on the waiting list for more than two years to renew their application or be eliminated.
2. Give a receipt to new applicants, date the applications and number them in order of the dates.
3. Out of the next 100 vacancies which arise, one out of every two would be filled by a Negro or Spanish-speaking tenant. One out of every 3 subsequent vacancies would be filled by a fully qualified minority applicant on the waiting list.

An agreement was also reached regarding the reinstatement of an employee whose treatment by XYZ the coalition had protested.

Post Crisis

Because discrimination is such a fuzzy legal issue, he brought in outside experts from the State Housing Commission and Human Rights Commission to clarify what solutions would satisfy both sides and yet be within the limits of the law. The membership of the community coalition changed periodically and was progressively less unified. In addition, the new factions were extremely hostile to XYZ administrators. The mediator kept the negotiations open by encouraging the parties to focus on the real issues, advising them that accusations and defensive statements would not bring about a resolution of their differences. Since he was interested in developing an agreement that would stick, the mediator insisted that the outside experts check their rulings on housing discrimination very carefully. (There was some doubt about the legality of certain procedures for increasing minority occupancy.)

Immediately after the settlement had been reached, an XYZ Tenants Committee emerged to challenge the agreement, because they had been left out of the negotiations. The tenants opposed the two-list provision, one for white applicants and one for minorities that would be used in filling vacancies and hence would increase the number of minorities in the complex. In addition, the Housing Commission announced that the agreement was discriminatory, although its representative had originally given his approval.

The BMCD mediator met with all the interested parties – XYZ, the coalition, the tenants and the State Housing Commission. He presented the history of the events and explained the agreement that had been reached. He then recommended that the agreement be implemented. Despite his efforts at this meeting and subsequent meetings to reach a new accord, the case remains unsettled pending adjudication by the State Housing Commission. Meanwhile, the community coalition has lost its effectiveness as a bargaining group; the racial imbalance in the XYZ housing complex remains unchanged. Whereas originally the timing of the conflict made the situation conducive to mediation and a meaningful settlement possible, the crisis atmosphere necessary for negotiations no longer exists.

Organizations . . .

(continued from page 3)

cities throughout the country, and is currently developing a formal mediation service for race-related disputes as part of an agency-wide Crisis Response Program which will encompass 1/3 to 1/2 of the CRS's total program. Acting crisis coordinator is Martin Walsh, Community Relations Service, U.S. Department of Justice, Washington 20530.

The most experienced federal agency in the field of mediation is the Federal Mediation and Conciliation Service. The FMCS has developed extensive training materials related to labor-management and public sector disputes, many of which are applicable to broader dispute situations. Larry Schultz directs training and development of materials. Address: Federal Mediation and Conciliation Service, Washington 20427.

Youth Crisis Intervention Center Opens

Number Nine is an excellent example of the youth initiated, self-help, multiple service programs which have become a national trend in community mental health. It aims at making available appropriate assistance during periods of crisis and at providing easy access to supportive peers; or when indicated, by making referrals to other services.

Information is now available in booklet form at the price of $10.00 by writing:

Dennis T. Jaffe
The State Street Center
c/o Number Nine
266 State Street
New Haven, Conn. 06511

A paper called the **Development of Alternate Services** 40 pages, $1.00, is also available.

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NEXT ISSUE: Intervener Roles II: The Advocates

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Community Crisis Intervention: Issues and Perspectives

by James H. Laue*

Summary of a Project

Under the direction of James Laue, an urban sociologist and former Federal community relations official, the Laboratory of Community Psychiatry, Department of Psychiatry of Harvard Medical School, is conducting a two-year project to attempt to establish a theory and practice of community crisis intervention. The major question toward which the project is directed is the following:

> Is there a definable discipline of community crisis intervention, with a discoverable body of techniques which can be systematized, taught, applied, evaluated and refined to help communities in crisis achieve positive social change through resolution of the crisis?

"Positive social change" is the criterion for successful outcome of any community crisis. It means:

-- rapid, orderly, visible movement of the systems in crisis toward justice -- toward (a) diffusion of power, (b) equalization of resources, (c) democratization of decision-making and, therefore, (d) greater self-determination of all constituent groups:

-- establishment of self-generating mechanisms for (a) ongoing stimulation of such social change and (b) resolving future conflicts in a positive direction without escalation to crisis.

* Prepared for Seminar on Recent Advances in Caregiving Practice for senior staff of Human Service Organizations, Laboratory of Community Psychiatry, Harvard Medical School, 1970-71.

We need desperately to discover how to intervene in community crisis to achieve such outcomes in the face of ever more sophisticated interventions whose essential aim is control rather than structural change (e.g., by law enforcement agencies, university administrations, urban consulting firms, etc.) Virtually every institution in American urban areas is coming to be faced with a continuous condition of confrontation from constituents, clients or petitioners for inclusion. We believe that one of the gravest dangers facing the nation is that establishment institutions increasingly will either repress or not respond at all to crises thus generated. Our aim is to see whether techniques can be developed to ensure that positive change-oriented responses will be forthcoming instead from institutions facing crisis.

The project is a conscious attempt to build linkages between theory and practice, between disciplines, and between activist projects. It emerges from the joint concerns of community psychiatrists and sociologist-activists about the crisis intervention process. The project draws on the accumulated and ongoing research at the Laboratory of Community Psychiatry, which has a history of research in crisis theory and urban problems, while adding a new dimension to the application of the work of the Laboratory in the community.

Psychiatrists have developed a considerable body of theory about intervention in personality and primary group crises, and have demonstrated some ability to intervene for specific desired outcomes. Sociologists and practitioners of social change have attempted numerous interventions in social system crises, with little measurable achievement and virtually no accepted systematization of theory and techniques. The Laboratory of Community Psychiatry is convinced that the effort must be made at this time to see whether community crisis intervention is a definable and fruitful field of endeavor.

Defining Community Crisis

Social analysts, the mass media and laymen all refer out-of-hand to the "crisis" in American cities. It is a word that has almost lost meaning because of its wide and undisciplined usage. A number of significant questions immediately arise:

-- What is a "crisis" in the social structure? In organizations and institutions? In neighborhoods? In whole communities?

-- Are the crises facing organizations, institutions and communities more severe today than in past eras?

-- In what ways do various role-occupants act differently from their "normal" behavior during social crisis?

-- What is the time configuration of a community crisis?

-- Are there sufficient similarities in crisis situations to make them amenable to intervention which can help produce specific positive outcomes?

There are many approaches to the problem of defining crisis in a way that makes the phenomenon approachable for study and possible intervention on the community level. A representative sampling of definitions includes the following:*

-- no set of circumstances, however unusual, is a crisis unless it is defined as such by persons involved in the system

-- a crisis may be a threat, a challenge, a strain on the attention, a call to new action

-- a crisis is a situation in which the affected individual(s) face the necessity of making appropriate choices of action to avoid or minimize severe punishment

* See especially Kent Miller, "The Concept of Crisis. Current Status and Mental Health Implications" (Human Organization 22, 3 [1963], pp. 195-201); Howard J. Parad (ed.), Crisis Intervention: Selected Readings (New York. Family Service Association of America, 1965); and Gerald Caplan, Principles of Preventive Psychiatry (New York: Basic Books, 1964).

-- a crisis occurs when a system's resources prove incapable of coping with, managing or solving a pressing problem

-- a crisis occurs when the internal balance of forces (or equilibrium) of a system is upset

Most of these and other attempts at defining crisis have been made in reference to individual personalities, families, small groups or other organizations. The problem of translation to the community level is difficult, but there are several fruitful approaches that need to be explored further. One is the list of five aspects of family crisis developed by Howard Parad and Gerald Caplan, which also appears instructive for analyzing crisis in larger systems: (1) The stressful event poses a problem which is by definition insoluble in the immediate future. (2) The problem overtaxes the psychological resources of the family, since it is beyond their traditional problem-solving methods. (3) The situation is perceived as a threat or danger to the life goals of the members. (4) The crisis period is characterized by tension which mounts to a peak then falls. (5) The crisis situation awakens unresolved key problems from both near and distant past. Reuben Hill's definition of crisis, also constructed from studies of families, is succinct and relevant at the community level: crisis is "any sharp or decisive change for which old patterns are inadequate. . .usual behavior patterns are found to be unrewarding and new ones are called for immediately."

Caplan

There is a pressing need to develop adequate, testable definitions of community crisis. Based on active participation in the civil rights movement, research and four years as a Federal community relations official, I operate from a framework which finds community crises existing when elites with the power to change community patterns which are being challenged define the situation as severe enough to demand immediate action and rapid resolution. They have changed their perception of their own self-interest and what it will take to maintain and expand it. Social change, it follows, is the process of continuous redistribution of community power and resources through various stages of competitive social interaction.

From the standpoint of intervention possibilities, the following attributes of community crises seem in need of most immediate exploration.

-- that communities are not "in crisis" until significant power figures define it as such

-- that crisis represents both danger and opportunity, but especially the potential as an important turning point in the life of the system

-- that individuals become more suggestible during crisis, and therefore more open to intervention for change in behavior (i.e., the question of timing)

-- that a mobilization of new resources occurs in personalities and the social system in crisis

By any measure, American communities are in crisis. The crisis is most often manifesting itself from community to community in rancorous conflict over scarce resources -- living space, jobs, tax revenues, other financial resources for public needs, educational facilities, personal and community control. Defining the "urban crisis" in terms of control of the processes for allocation of scarce resources focuses on the need to achieve a just quid pro quo between conflicting interests -- a process which is open to facilitation by third parties at many points.

Defining Crisis Intervention

There exists no systematic body of techniques for intervention in community crises to move the community and/or its consistent subsystems toward positive social change as defined in the opening summary statement. We need to know

-- In what system levels is crisis intervention possible? Secondary as well as primary groups? Total communities as well as individual personalities?

-- What are sound and specific criteria for desirable outcomes of community crisis intervention? (see "Outcomes of Community Crisis" below)

-- Are professionals the sole proprietors of crisis intervention as a technique -- or may it be more broadly defined to include the activities of politicians, civil rights groups, community and neighborhood organizations, clergy, etc.?

-- How does intervention during crisis differ in approach and effectiveness from intervention during non-crisis periods (again, the question of timing)?

-- Are the principles of labor-management, general bargaining, third-party consultations, medical-psychiatric and other models of intervention from adjacent disciplines applicable to the total institutional or community level?

-- Through what process is legitimation of various crisis intervention agencies and individuals accomplished in the community?

-- How can the effectiveness of various crisis intervention techniques be evaluated? Is it possible to achieve and measure a predicted pay-off from specific interventions?

Community crisis intervention may be defined as any active intercession by an outside or semi-outside organization, person, or force into a community crisis for the purpose of helping the component systems and actors mobilize resources to move toward a positive crisis-outcome.* The intervenor is an agent who enters at a particular phase

* As defined earlier in terms of diffusion of power, resources and decision-making prerogatives, and of the establishment of ongoing mechanisms for change-stimulation and conflict-resolution.

of the community power struggle both to prevent a repressive crisis response from the dominant power group and to guide the disputants to positive change.

Various forms of intervention have been practiced in communities, with or without specific ends consciously in mind. Among them have been power bargaining, mediation, arbitration, conciliation, client advocacy, colleague advocacy, legal proceedings, formal and informal educational techniques, community organizing, direct action, law enforcement, research, military repression, etc.

Nevertheless, efforts at systematization and evaluation of crisis intervention techniques at the community level have not progressed far. The oldest organizations devoted specifically to community intervention (crisis and non-crisis) for the general kinds of goals described in this proposal, are human relations commissions and, more recently, state commissions against discrimination. For whatever combination of reasons of ineffectiveness, lack of real community leverage or lack of funds for R and D, their experience has not produced an evaluated body of techniques. The Office of Economic Opportunity has funded evaluations on many of its community action programs, and the Department of Housing and Urban Development is sponsoring evaluations of many phases of Model Cities programs. Many of the results are not yet in; where they are, they have made no noticeable impact on community crisis intervention theory and practice. Intervention as a unit of study is growing in popularity in the social and psychological sciences, and in various projects and programs now operating and getting underway throughout the United States.

What is needed, in our judgment, is a systematic development of concepts and evaluation of techniques of (a) crisis intervention (b) pointing toward specific change goals (c) with a focus on the role of the intervenor rather than the nature of the process of conflict resolution.

Outcomes of Community Crisis

We have said in the attached summary statement that a "desirable" outcome of community crisis is one that produces positive

social change, which is defined by two types of criteria: substantive ("rapid, orderly, visible movement of the systems in crisis toward justice," which involves diffusion of power, equalization of resources, democratization of decision-making and progress toward self-determination) and process (establishment of mechanisms for continual stimulation of social change and positive conflict resolution). This definition addresses the problem only in the most general way, and a significant task ahead is the development of specific criteria for crisis-outcomes which apply to specific historical and systemic situations.

Criteria for successful outcomes are more precisely defined for crisis intervention in smaller systems -- namely, individual personalities and primary groups like the family. For the individual personality, goals of intervention may encompass enhanced sense of self, increased ability to cope with stress situations, openness, growth, maximum feasible need satisfaction, etc. For primary group intervention, most often practiced with families in crisis, goals include all of the above for each person in the system plus the development of a modus operandi for the group whereby future tensions and conflict which inevitably will arise may be dealt with and successfully resolved.

Certainly all the above goals would be desirable outcomes for community crises. But goals which it may be possible to achieve for individuals vis-à-vis themselves or others in small groups become extremely difficult both to define and to achieve in larger groups and whole communities. While the family may function as a pre-packaged solving unit, the community lacks both the organizational and ideological cohesiveness conducive to problem-solving.

The determination of specific goals in a community crisis situation is of course frustrated by the conflicting interests of the groups involved. The flux of power relations within the subordinate group during a crisis further hinders goal formulation.

The actual achievement of goals in community crises is similarly impeded by (a) the greater complexity and scarcity of resources for fulfillment in larger socio-political systems and (b) the fact that any outcome or settlement or resolution in a large organization or total community is essentially political instead of socio-psychological in character.

One important ramification of the political character of crisis resolutions at the institutional or community level is that it is extremely difficult to find and legitimate an intervening agent or agency which is sufficiently uninvolved in the political trades and slicing up of the pie that constitute the settlement process. This problem of legitimacy is one of many which need to be examined under the general category of properties of the intervenor.

Properties of the Crisis Intervenor

Success of the crisis intervention depends, among other things, on historical conditions leading to the present crisis, internal and external resources* available for application to the crisis, general orientation of the system toward change, and -- most importantly -- the properties of the intervenor. The two essential characteristics for success, we believe, are that the agent or agency (a) must possess appropriate technical skills and (b) must have legitimation with all parties to the crisis.

(a) Skills. A repertoire of basic technical skills of community crisis intervention does not now exist. Among skills commonly acknowledged to be important (albeit many of them reflect a negotiations or power-bargaining model) are:

-- information brokerage

-- initiating and keeping open contact between factions

-- interpreting positions, problems and options

-- mobilizing external resources for action in the situation

-- helping the parties avoid solidifying positions too soon, and thereby keeping options open

-- assisting parties in internal organizational problems

-- helping parties to anticipate the consequences of their own anticipated actions

* I.e., from both inside and outside the system(s) in crisis.

-- arranging pace, timing, packages, trade-offs, etc., in the negotiating process

-- training parties in crisis skills

-- aiding parties in formulating goals.*

In a recent summary of appropriate characteristics of the third-party intervenor in social conflict, Richard Walton lists five as crucial: high expertise; low power over the fate of the principles; high control over the setting of confrontation and the processes therein; moderate knowledge about issues, principles and background of the conflict; and neutrality and balance regarding the substantive outcome of the conflict, the personal relationships involved, and the choice of conflict-resolution methods.** Only two of those characteristics (expertise and knowledge of the situation) are purely a matter of technical skills and training. The other three border on problems of legitimation -- without which technical skills would never come into the arena of the conflict.

(b) Legitimation. Legitimation refers to the perceived right of the intervenor to be involved in the situation. He may enjoy this perception from none, one or all of the parties to a crisis. An additional -- and, from our standpoint, more important -- criterion for the achievement of legitimacy for an intervenor is the high predisposition on the part of the disputants (especially establishment institutions) to act on the intervenor's inputs.

One of the most important learnings to be drawn from the first four years' experience of the Community Relations Service*** is

* This list is adapted from W. Ellison Chalmers, "Racial Negotiations--A Project Statement" (University of Michigan, Wayne State University), and a confidential memorandum from James Laue to the National Council of Churches, July 19, 1969.

** Walton, Richard E., Interpersonal Peacemaking: Confrontations and Third Party Consultation, (Reading, Massachusetts: Addison-Wesley Publishing Company, 1970).

*** Of the U. S. Department of Justice -- established under the Civil Rights Act of 1964 to assist communities in resolving racial disputes.

that with sheer increase in size of the community which is the base of operations, the probability of effective crisis intervention drops dramatically. CRS Field Representatives made substantial, documented causal inputs in cities like Selma, Natchez and Bogalusa. But because of city size, complexity of issues and, most of all, the lack of a clearly legitimated base, measurement of impact in cities like Chicago, Los Angeles and Memphis was virtually impossible. In these and other urban cases, the stature and resources of the Federal government were not sufficient or appropriate to ensure the confidence and responsiveness of diverse factions.

A series of questions needs to be answered about the legitimation process underlying community crisis intervention. Such questions concern:

-- entry and sponsorship (dominant party or parties? subordinate party or parties? neither? both?)

-- the degree of intervenor participation in goal-definition

-- neutrality/advocacy mix of the intervenor

- bases of power, leverage and sanctions from which the intervenor can draw

In addition, there are a number of specific intervenor characteristics whose effects need to be assessed:

Professional or non-professional?
Individual or organization?
Establishment or non-establishment?
Male or female?
Age differences?
Race/ethnicity?

Development of Preliminary Models of Community Crisis Intervention

Examples of types of hypotheses about community crisis intervention that need to be developed more fully and built into models

include the following:

-- that building pre-crisis legitimation for the intervenor with all potential parties to a community dispute is the prerequisite to effective intervention when the change-enabling crisis-definition is made;

-- that, in many crisis situations, third-party intervention only speeds up the process leading to resolution (positive or not), with other dynamics accounting for the real causal factors of change;

-- that while rational consultation may be an effective form of intervention for establishment institutions (which possess the structural facilities to implement such input), it is not useful in generating change for grass roots and incipient community groups, whose need is for organization of power and resources;

-- that the intervenor's legitimation and power bases (i.e., what leverages and resources he can bring to bear on the crisis situation) are more important to his effectiveness than his technical skills (in communication, bargaining, etc.).

The Context of the Work: Action and Change

The approach outlined in previous sections is intended to move us beyond existing thinking concerning urban crisis and change in four important ways:

1. The focus is on crisis intervention in communities. It specifically looks for the relationships between crisis and positive social change. This provides a more narrowly-defined -- and, I think, more productive -- focus than simply general "intervention". It concentrates on the act of intervention for change -- as distinguished

from the process of conflict resolution, dispute settlement or negotiation per se,* as is characteristic of the projects in related areas of which we are aware.

2. This framework insists that the development and practice of community crisis intervention take place within a context of specific change goals for the outcome of the crisis, both substantive (power and resources diffusion) and processual (establishing ongoing mechanisms). Many projects and agencies in this field study or practice the processes of conflict and its resolution with with no specific goals for the resolution or, in our judgment the wrong goals (social control, personal adjustment, et..). Too many intervenors claim to be working in a value-free context as "simply technicians," not realizing or not caring that their inputs (often at the behest of or at least on the side of status quo institutions) do in every case work toward particular end-states of social control or social change. It is important to make those implications overt, and to see that the goals for intervention always go beyond simply the arrival at an agreement or problem-solution -- which, when taken apart from substantive considerations, always favors the status quo organization of power.

3. As a further refinement of (1) above, the focus is on the role of the intervenor per se as an independent variable -- what intervening persons or agencies do to attain specific results in particular situations. The legitimating properties of the intervenor with all factions may be more important than his technical skills in

* For example, in examining the Selma crisis of 1965, we would ask, "What did various individuals and organizations do that contributed to the enactment of the Voting Rights Act of 1965?", instead of "How was the crisis resolved and 'normal' community patterns restored?" Regarding the crisis over open housing in Chicago in 1966, we would similarly ask, "What did specific intervening agents do (e.g., the Community Relations Service, SCLC, Chicago Commission on Human Relations, Chicago Council of Churches, Illinois Bell Telephone Company, etc.) to achieve the formation of the Metropolitan Council for Open Cities, Jobs Now program and subsequent positive changes?"

achieving effective crisis outcomes.* The interface between legitimation and skills will be a major concern throughout the work of the Project.

4. The role of non-professionals in community crisis intervention is a fourth underlying concern. Is intervention the sole property of trained professionals? Can the activities of unpaid community organizers and grass roots leaders be called "intervention"? Community intervention (crisis and non-crisis) is now being practiced consciously almost exclusively by professionals with limited change goals, who often prepare community people to be willing recipients of aid rather than provide them with the impetus and skills to mobilize their own resources. Elites of many of the helping professions refer to community organization work by members of their disciplines as "client advocacy" when in fact they themselves practice "colleague advocacy" in consulting only with fellow professionals in determining how to "deal with" institutional and community problems involving grass roots citizens. Such a view reflects the limited perspective of many of the professions on the gravity of the crisis and a limited sense of the possibilities for legitimate, relevant action by professionals for social change. Professionals trained in community crisis intervention techniques must emphasize sharing their skills and power with community people (rather than safeguarding the discipline for fellow professionals) in order both to facilitate successful crisis problem solving and to extend the practice of CCI. Unless community crisis intervention can become legitimated as an appropriate endeavor for non-professionals as well as professionals, it too will go the way of other change techniques which have emerged in recent years -- co-opted, domesticated and therefore, often with the best of motivation, defused by establishment institutions.

* The preliminary report to the Ford Foundation on the Racial Negotiations Project (University of Michigan - Wayne State University, August 1969), on which I have been a consultant, says that its "strongest single hunch" about the role of third party intervenors "is that an intervenor is not likely to be effective [in race conflict negotiations] if he is simply a 'neutral.' It would appear that his effectiveness will be dependent on his commitment to social change that will provide greater black [or other subordinate group] involvement in decision-making and ensure equality of circumstances and opportunity."

ANTICIPATED OUTPUTS OF THE PROJECT

With the foregoing analysis as a starting point, the project staff is working toward the following outputs during the course of the next two years:

1. A conceptual synthesis of the field of community crisis intervention (CCI), including: an analysis of the setting for urban conflict as it has developed in the 1960's; an outline of definitions and types of community crises, intervention techniques, intervention agents and agencies, legitimation and outcomes; an annotated bibliography of the literature related to community crisis intervention.

2. Analysis of ongoing research and action projects in community crisis intervention -- extensive observation, consultation and co-participation in a number of existing projects, studies, methods, organizations and the work of individuals. A newsletter to be circulated among various projects, organizations and other interested parties.

3. Case Studies -- some initiated by the project staff on specific attempts at crisis intervention in neighborhood, institutional and total community settings. Analysis in the CCI framework of completed and ongoing case studies initiated by existing projects and organizations.

4. Models for community crisis intervention -- a body of intervention techniques developed from the work of activities 1-3. A model of community advocacy is considered of the highest importance here. A write-up of research activities and findings.

5. A series of seminars on the state of the field of CCI and its future possibilities and needs -- for projects and organizations currently developing and practicing intervention techniques as well as for other potentially interested groups: community representatives, government officials, business leaders, foundation executives and professional associations. Transcription of the proceedings to be prepared for publication.

*

Also
① Is this it?
② Training of para-prof.
③

Change Theory and Ethics of Intervention

It should be re-emphasized that the theory and practice of social change are the ground on which CCI explorations stand. Our concern is to better understand the relationship of crisis and social change, and to be able to capitalize on the telescoping of development that often takes place during crisis for positive social change.* The focus is on what happens in a community (and its constituent structures of institutions and neighborhoods) when a crisis occurs, and how that crisis can be utilized for democratizing rather than repressive outcomes. Community life is viewed as a series of spiraling cycles of (more-or-less) equilibrated periods and crisis periods. We shall be attempting to determine appropriate inputs for positive change in pre-, during and post-crisis situations, drawing here again on the work of community psychiatrists in such areas as "preventive intervention" and "aftercare".

The ethical problems of intervention are considerable in number and broad in scope. We may discover that intervention into community crises does not, in fact, assist the affected systems toward positive change the way intervention in personality crises demonstrably can do. We may discover that intervention by a semi-outsider only serves the needs of status quo interests and may, in fact, prevent the petitioning or protesting groups from raising the crisis to a level sufficient to achieve substantial good-faith bargaining from establishment institutions. Bargaining models (in which the parties "settle" by trading sanctions and resources, but very rarely trade real power) and medical models (with focus on the well-sick-well transition -- and crisis is "sick" or "abnormal"?) may simply be inappropriate to the demands for rapid social change and may even prevent needed change. Whether intervention techniques can be developed to get beyond the co-opting, stabilizing and settling that often take place when conflict-resolution is systematized, is a question that is constantly at the top of our ethical agenda.

* Here I draw heavily on Gerald Caplan's work on the telescoping of development during personality system crises (see Principles of Preventive Psychiatry), and on Laue's work on the short-circuiting of social change processes during crisis (evaluations and other documents prepared for the Community Relations Service, and "Power, Conflict and Social Change", pp. 85-96 in Louis H. Masotti and Don R. Bowen (ed.), Riots and Rebellion: Civil Violence in the Urban Community, Beverly Hills, Sage Publications, 1968).

SOUTHERN REGIONAL COUNCIL, INC.

M E M O R A N D U M

TO: E. Via

DATE: June 13, 1972

FROM: C. Wright

COPIES:

SUBJECT:

Xerox copy of letter is attached as requested. Please let Ms. Gatewood know what time you will be available to speak with Ms. Cohen on June 15. Preferably early in the morning.

Also, if Sam Williams turns out to be a good person for Ms. Cohen to consult with, could you schedule a meeting with him later in the morning or early afternoon and inform Ms. Gatewood of this also.

If the judge turns me loose, I will see you this afternoon.

CW/apg

THE SOCIAL SCIENCE INSTITUTE

WASHINGTON UNIVERSITY ST. LOUIS, MISSOURI 63130

June 1, 1972

Mr. Clarence Wright
Southern Regional Council
52 Fairlie Street
Atlanta, Georgia

Dear Butch:

This is to elaborate on our conversation this morning regarding SRC, community organizations in the South and police programs in Athens, Georgia.

First, I am working on a project for LEAA to study police-community relations programs and police practices and to recommend successful, innovative approaches and policies to police departments around the country. We are interested in information on community relations; police training; conflict resolution and crisis intervention by police in the areas of youth problems. school unrest and neighborhood disputes; police field procedures; and administrative procedures.

+ Atlanta + SRC

I would be interested in talking to the people you mentioned about the police program in Athens with regard to any of the above areas.

As for the main purpose of my visit, my project is planning to do two newsletter issues on the activist role and community organizations in the South. We will focus on organizations such as SRC, which provide assistance to grass roots groups as well as being directly involved in events, ~~as well~~ AND on groups that have or are currently involved in a struggle over schools, police, housing and the broader issues of discrimination and decent wages and living conditions.

We hope to accomplish some of the following:

- give publicity to groups and issues which are unknown in most parts of the country
- put grass roots groups in touch with one another and with people who can give them assistance- $$, ideas and manpower
- provide information on what strategies have been successful- why, why not

I would be interested in talking to you about what we should focus on in our limited time (1-1½ months), learning more about SRC and talking to people in Atlanta embroiled in something you think should be covered in the newsletter or which would provide useful information to other groups.

Thanks for your help. I look forward to seeing you again and will arrive in Atlanta on June 14.

Justice,

alana

Alana

JUN 7 1972

Community Crisis Intervention Project
Social Science Institute
Box 1202
Washington University
St. Louis, MO 63130

Dear Community Leaders:

The staff of the Community Crisis Intervention Project has written a questionnaire to gather information on strategies for social change. We are sending this questionnaire to grass-roots and community groups throughout the country who have been involved in crisis or conflict situations around the issues of health, education, housing, police misconduct, and racial discrimination.

We are mainly interested in the kinds of tactics that your organization is using or has used to achieve your demands from the group or groups that oppose your goals, and to bring about changes in your community.

Using the answers we receive from the questionnaire, we will try to determine what strategies have been successful and which ones unsuccessful. We will then send out this information to you and other groups who are in the midst of crisis and can benefit from your experiences. The project staff feels that unless community organizations begin to share the ideas that they have developed and tested to achieve important changes, establishment groups will continue to have a monopoly on resources, decision-making, and power.

In addition, we would like to put organizations who have been involved in conflicts in touch with each other. We will publish a newsheet to inform readers of the successful efforts of groups in their own city and around the country. The newsheet will also supply a continuous flow of ideas about strategies for change as the information becomes available.

We need your permission to use your name in our newsheet or to refer other groups to you who may write or call. We will only do this with your OK. Please fill out the last section of the questionnaire that deals with the confidentiality of your answers.

Thank you for your help.

Peace and power,

Alana Cohen, Director
Community Crisis
Intervention Project

COMMUNITY CRISIS INTERVENTION PROJECT
Social Science Institute
Washington University
St. Louis, Missouri 63130

INSTRUCTIONS FOR FILLING OUT THE
COMMUNITY CRISIS QUESTIONNAIRE

Please fill out this questionnaire as accurately as possible. We are interested in your answers to the multiple choice questions, but also would like you to fill out those sections that describe your particular experiences more specifically. Since every group is different, your responses to those questions will be most helpful.

If you have been involved in a number of crises, please describe the one that you think is most significant.

Finally, again, please fill out the final section on the confidentiality of your answers. We need to know what information we can send to other community groups.

A self-addressed envelope has been included for your convenience in returning the questionnaire.

I. Background

1. Name of Organization _____

2. Address of Organization _____

_____
(city) (state)

3. Your Position in Organization _____

4. Is your group's activity mainly in your own neighborhood, your entire city, your state, or is it national? (underline one)

5. What does or did your group hope to accomplish?

II. A Crisis

1. What is the most serious crisis in which your organization has been involved in the last 2 or 3 years? What specific things were you trying to achieve, and who opposed you?

2. What pressure did you use against your opposition? (Please underline all that apply)

A. control of funds
B. publicity
C. boycott
D. strike
E. pressuring administrators
F. filing a law suit
G. demonstrations
H. violence
I. other_____

_____

_____

3. Briefly explain what methods your group used to achieve its goals in the crisis, and how opposing forces responded.

4. What person(s) or group(s) have been most helpful to you and why?

5. Did you consider any other tactics? If so, please list them, and tell why you did not use them.

6. Can you list the 2 or 3 most important things your group gained as a result of the crisis?

7. What changes do you think are still necessary?

8. Do you think your opposition is cracking down on you more as a result of your challenge to them in this situation?

9. Do you think your group now has more power as a result of the crisis? If so, please describe.

III. Information on Your Organization

1. What are the main interests of your group? (Underline all that apply).

A. jobs
B. economic development
C. recreation
D. health

E. education
F. housing
G. crime and law enforcement
H. welfare rights
I. civil rights
J. other_____
_____

2. Approximate number of members_____.

3. About what number are
A. Black_____
B. Brown_____
C. White_____
D. Indian_____
E. Asian American_____
F. Other_____

4. What phrases below best describe your group? (Please underline all that apply).
A. city agency
B. community or neighborhood self-help group
C. community corporation
D. church group
E. economic development corporation
F. citizen advisory board
G. policy control board of an agency or program
H. task force
I. civil rights group
J. direct action protest group
K. other_____
_____

IV. The Role of the Consultants or Advisors to Your Group
(to be filled out by a member of the organization)

1. Did you have an outside consultant, advisor or person who was not a regular member of your group help you confront your opposition?
yes_____ no*_____
*if answer is no, skip to Section V.

2. Please describe this person or persons.
approximate age_____ race_____
sex_____ occupation_____
_____

3. How did your group get in contact with him or her?

4. Why was he or she acceptable to your group?

5. What services did he give your group? (Underline all that apply).

A. community organizing
B. technical assistance
C. personal contacts and friends
D. communicating with the opposition
E. providing or obtaining money
F. lobbying
G. drafting legislation
H. using legal skills
I. mediation
J. training of members
K. other_____

_____

6. What would you say is the most important thing the consultant(s) or advisor(s) did for your group?

7. How helpful was this advisor?

Very_____ Helpful_____ Not Helpful_____

Please explain.

Questions 8 through 13 should be filled out by consultant or advisor if possible.

8. How did you become affiliated with the organization you advised?

9. What were your goals for the group you worked with?

10. What best describes what you did for the group?

11. How successful were your efforts?

12. What might you have done differently?

13. May we give your name to other community groups in your community who may need similar help? _____yes _____no

V. CONFIDENTIALITY OF THIS QUESTIONNAIRE

1. Is there any information in this questionnaire you want kept confidential?

2. We would like to put groups similar to yours in touch with each other to share experiences and successes. May we refer your group to others in your city or elsewhere in the country? _____yes _____no
Comments:

3. May we mention your group in our newsletter that circulates to other community groups as one that is active or has been active in your field of interest? _____yes _____no

4. Would you like to get information on other groups by receiving our newsheet? _____yes _____no

5. Do you know other groups who could use this information? If so, please list their names and addresses, including zip codes.

1._____

_____

2._____

_____

3._____

_____

4._____

_____

6. Would you like the names of consultants in your city that are willing to help community groups in conflicts with established groups? _____yes _____no

Thank you very much for your time and interest. We welcome any suggestions for the use of this questionnaire or criticism that you might have.

Part of the Solution,

Community Crisis Intervention Project Staff

Alana Cohen, Director
Martin Blum
Frederick Hobby
Martha Kohn
Susan Lynch

University of Wisconsin
School for Workers

Allied Industrial Workers, AFL-CIO
January 18, 19, 20, 1957

OLD AGE AND SURVIVORS INSURANCE

Norris Tibbetts, Instructor, School for Workers

Introduction

1. The individual's equity and his responsibilities.

2. The importance of OASI for union members and leaders.

   A. Virtually all members and their families are involved.

   B. The relationship to collective bargaining: pensions, supplementary unemployment benefits, group life insurance, sickness and disability insurance.

   C. Other reasons:

      1) Creating opportunities for younger people.
      2) Providing security for later years.
      3) The maintenance of purchasing power.
      4) Relationship to individual and union security.
      5) The changing nature of our population.

1. Government responsibility and wage loss.

A. The theory of "saving for a rainy day".

B. Social Security a business-like way to deal with wage loss.

   1) The nature of our economy: based on cash wages.

   2) Regular wages do in fact stop, for reasons usually beyond the the control of the worker or anyone else.

      a. Injury or illness
      b. Unemployment
      c. Disability
      d. Old age and retirement
      e. Death

   3) Admonitions about "saving" to meet such hazards do not take account of the facts.

   4) Income insurance and the preservation of individual values.

      a. Worth of the individual: self-respect, dignity, pride; benefits by right as against the humiliation of relief.
      b. Freedom of the individual to buy what he wants, live where he wants, on a known income, as against the restrictions of relief.
      c. Adequate safe-guards in the law to protect such values as initiative, enterprise and self-reliance.

5) Effect on our private enterprise mass production economy.

a. The maintenance of purchasing power.
b. Increasing opportunities for younger workers.
c. Maintaining a skilled work force during periods of low production and low employment.

2. The Social Security Law: protection against certain hazards.

A. Unemployment compensation.
B. Old age assistance.
C. Aid to the blind.
D. Aid to dependent children.
E. Aid to permanently and totally disabled.
F. Maternal and child health services.
G. Services to crippled children.
H. Child welfare services.
I. Old age and survivors insurance.

3. The principles on which Old Age and Survivors Insurance is based

A. Purpose

To insure covered workers and their dependents against wage loss due to old age, death or permanent totally disability through regular monthly payments to the insured and his family when the wage earner is 65 and retires (62 for women, with reduced benefits) or is permanently totally disabled after age 50, or to eligible survivors when he dies at any age.

B. Principles

1) A contributory insurance program.

2) Benefits are a matter of right rather than need.

3) Benefits are geared (within minimum and maximum limits) to contributions.

4) Benefits do not provide same income as when working.

4. The extent of coverage

A. 9/10 of our working people can look forward to retirement benefits.
B. 9/10 of our mothers and children are assured of monthly insurance benefits in case of the death of the family breadwinner.
C. At the beginning of 1955, 70 million workers were insured under the law, of which number 30 million were permanently insured.
D. There are more than 7½ million beneficiaries, 4¼ million of which are retired workers.
E. Over one half all aged persons with no income from employment or self-employment are receiving old age insurance benefits.
F. Over one half all children whose fathers have died are getting monthly survivors insurance benefits.

5. Size of benefits

A. Average benefits (based on earnings after 1950)

Retired worker	$ 76
Aged couple	$128
Widow	$ 65
Widow, 2 children	$180

B. Minimum benefits

Retired worker	$ 30
Aged couple	45
Widow	30
Widow, 2 children	50

C. Maximum benefits

Retired worker	$108.50
Aged couple	162.80
Widow	81.40
Widow, 2 children	200.00

6. Method of financing

A. Payroll tax on covered earnings up to $4200 per year.

	Employee	Employer	Self-employed
1956	2%	2%	3%
1957-59	2¼%	2¼%	3 3/8%
1960-64	2 3/4%	2 3/4%	4 1/8%
1965-69	3¼%	3¼%	4 7/8%
1970-74	3 3/4%	3 3/4%	5 5/8%
1975 and after	4¼%	4¼%	6 3/8%

B. Collected by Internal Revenue Service.

C. Put into Federal Trust Fund.

1) To pay benefits and administrative expenses and for no other purpose.

2) Portion not needed for current disbursement invested in interest bearing U. S. Government Securities.

3) Status of Trust Fund, 1955

21 billion dollars total.
5.5 billion contributed, 5 billion paid in benefits.
475 million collected in interest, 113 million operating expenses.

Eventually, the trust fund may run as high as 100 billion.

7. Becoming insured

A. Important incidentals

1) Get a social security card: you should have only one number.

2) Make sure employer is paying on your account, in the amount of 4.5% of the first $4200 in wages.

3) Check your account via a Social Security postcard form at least every 3 years (limit on most corrections is 3 years 2 months and 15 days exclusive of military service.

4) Paradoxes:

a. You may have paid in, and not be insured.
b. You may not be paying now, and yet be fully insured.

5) A little planning regarding future work may make a great differenc in your insured status and the size of your benefits.

B. "Quarter of coverage"

1) You get 1 quarter of coverage for each calendar quarter in which you are paid $50 or more in wages; quarters begin on Jan. 1, Apr. 1 July 1, and Oct. 1.

2) Self-employed workers whose net earnings are $400 or more per year get 4 quarters of coverage for that year; earnings of less than $400 in self-employment are not counted toward benefits.

3) Quarters of coverage may have been earned by working in covered employment at anytime after 1936, and in self-employment covered by the law after 1950.

4) Military service counts toward quarters of coverage

a. Active duty during period Sept. 15, 1940 thru July 24, 1947, or period July 25, 1947 thru Dec. 31, 1956 yields social security wage credits of $160 per month for each month of active duty, if discharge on release was under conditions other than dishonorable.

b. After 1956, base pay in military service will count toward social security protection.

(Note: Credits for military service prior to 1957 are not listed on your social security records. At the time of application for benefits, proof of service will be needed)

C. "Fully insured"

1) You will be fully insured when you reach retirement age, if you become disabled, or die, if at that time you have 1 quarter of coverage earned any time after 1936 for each quarter after 1950.

   a. At least 6 quarters of coverage are necessary in every case.

   b. When you have earned 40 quarters of coverage, you are insured for life.

   c. In counting the number of calendar quarters after 1950, omit quarters in which you were under 21, and quarters in which your earnings record was "frozen" because of disability.

2) Special fully insured provision, primarily for those just obtaining coverage under 1956 amendments.

   a. Must have at least 6 quarters of coverage after 1954.

   b. Must have quarters of coverage in all but 4 of the calendar quarters after 1954.

3) Quarters of coverage earned after age 65 count toward fully insured status as well as toward size of ultimate benefits.

D. "Currently insured"

1) You will be currently insured when you become eligible for retirement benefits, become disabled, or die, if you have at least 6 quarters of coverage within the preceding 3 years.

2) Not all kinds of benefits are payable when the worker is currently insured.

3) Benefit payments to dependent husband 65 or over, to dependent widower 65 or over, and to the disabled require BOTH fully and currently insured status.

8. Types of benefits and insurance status required for eligibility

A. Retirement payments.

Monthly payments to -	If you are -
You as retired worker	fully insured
And monthly payments to your -	
Wife 62 or over	fully insured
Dependent child under 18 or disabled . .	fully insured
Wife (regardless of age) if caring for child	fully insured
Dependent husband 65 or over	BOTH fully and currently insured

B. Survivors payments.

Monthly payments to your -	If you are at death -
Widow 62 or over	fully insured
Widow or dependent divorced wife (regardless of age) if caring for child	either fully or currently insured
Dependent child (under 18 or disabled) . .	either fully or currently insured
Dependent widower 65 or over	BOTH fully and currently insured
Dependent parent (mother 62 or father 65).	fully insured
Lump sum payment to your -	
Widow or widower, or to person who paid your burial expenses	either fully or currently insured

C. Disability payments, first payable in July 1957.

1) To be eligible:

a. Must be 50 years old or more.
b. Must be fully AND currently insured.
c. Must have 20 quarters of coverage in the 40 calendar quarters before the beginning date of your disability.
d. Disability must have lasted 6 months.
e. Must be unable to do any substantial work.
f. Disability expected to last indefinitely.
g. Must accept referral to and assistance from vocational rehabilitation agency in your state.

2) Dependents are not eligible for benefits until you are eligible for retirement benefits, but if you die, they may collect survivors benefits.

3) Amount of benefit is same as retirement benefit.

4) Make application by Dec. 1957 for retroactivity to July, 1957.

D. The "disability freeze", to protect the right to and amount of future benefits.

1) To be eligible.

a. Disabled within meaning of law and not yet 50 years old.
b. 20 quarters of coverage within last 40 calendar quarters.
c. 6 quarters of coverage within the last 13 calendar quarters.
d. Unable to do any substantial work.
e. Been disabled at least 6 months.
f. Disability expected to continue indefinitely.

2) Application should be made before July 1957 or "freeze" will be retroactive for only one year.

Special notes on disability restrictions:

Reasons: the disabled must have a genuine, substantial and recent connection with the labor market before disability.

This is an insurance system: an individual must have paid into the system before he is eligible for benefits.

Existence, beginning and end of disability are determined by state agencies in accordance with standards developed by the Secretary of Health, Education and Welfare; there may be review of decisions by the Secretary and the Courts.

E. Disabled child's benefits.

1) May receive child's benefits AFTER as well as before 18 years old.

2) To be eligible:

a. Disabled within meaning of the law.
b. Became disabled before reaching age 18 and has remained so ever since.
c. Is dependent upon a parent, step parent or adopting parent who is entitled to old age insurance benefits
or
was dependent upon a parent who died after 1939 and was insured at the time of death.
d. Is unmarried.
e. Accepts referral to and assistance from state vocational rehabilitation service.

9. The "primary insurance amount"

A. This is the key to your own benefits and those of your dependents and survivors.

B. Figuring the primary insurance amount, based on "average monthly wage".

1) May start with Jan. 1, 1937, or Jan. 1, 1951, or with year you became 22 if that was after 1950.

2) Most people benefit most by figuring earnings from Jan. 1, 1951. Here is the formula:

a. List annual earnings in work covered by Social Security for years 1951, 1952, 1953 and 1954 (if you were under 22 in 1951, start with year in which you had your 22nd birthday).

b. Don't count more $3600 for any one of these years.

c. If you had no earnings in one or more of these years, put down year anyway with a zero after it.

d. List your annual earnings, or expected annual earnings, in work covered by social security for each year beginning with 1955 up to but not including the year in which you expect to retire; don't count more than $4200 for any one year.

e. Strike out the 5 lowest years.*

f. Add up the earnings of all years, omitting earnings for the years you dropped out.

g. Divide this total by the number of months in all years on your sheet, omitting the months for the years you dropped out. (If there are fewer than 18 months left, you must divide by 18 anyway)

h. This gives you your average monthly earnings for Social Security purposes.

3) Earnings in the year you apply for benefits are not usually counted in the computation; if they would increase your benefits, you may ask at the end of the year to have your benefit refigured to include them.

4) When the Social Security Administration receives an application for payments, the amount is figured in each way and you or your survivors receive the largest possible payment.

C. The primary insurance amount payable to an insured worker at retirement or for disability at age 50 or over is 55% of the first $110 of the average monthly earnings, plus 20% of the next $240 of average monthly earnings; minimum, $30; maximum, $108.50.

* You may also drop out any time during which your earning record was frozen because you were disabled within the meaning of the law.

10. The amount of the benefits to dependents and survivors

The monthly payment to your -	Is this part of your monthly amount -
Wife (see below re: age).	.One-half
Child (when you have retired. . . .	.One-Half
Dependent husband.	.One-half
Widow.	.Three-fourths
Each child (after your death). . .	.One-half, plus an additional one-fourth divided equally among all children
Dependent widower.	.Three-fourths
Dependent parent	.Three-fourths
Lump sum death payment	.Three times primary amount, with $255 maximum.

Note: benefits may bot be less than $30, nor more than $200. They may not exceed 80% of the average monthly wage exc ept when this rule would bring benefits below 1½ times the primary amount for a single person, or $50 if that is higher.

11. The new retirement age for women

A. The working woman may retire on reaching age 62; benefits will be permanently reduced. Retirement at age 62 yields 80% of primary insurance amount; at 63, 86 2/3%; at 64, 93 1/3%. Benefits to dependents are not reduced. Retirement at 62 puts you ahead of the game for 15 years.

B. The wife of a man receiving retirement payments may retire on reaching age 62; benefits are permanently reduced. Retirement at age 62 yields 75% of one-half of husbands primary amount; at age 63, 83 1/3%; at age 64, 91 2/3%.

1) A wife retiring at 62 is ahead of the game for 12 years.

2) Reduction is not permanent if husband goes back to work before wife reaches 65 and as a result she loses benefits for at least 3 months. At 65, her benefits will be refigured to give her credit for the months during which she received no benefits.

3) In the event of husband's death, wife's benefit would be changed to full widow's benefit.

C. If husband dies, full benefits are payable to widow at age 62.

D. Mother of insured worker who dies leaving no eligible widow, widower or child, and who received at least one-half her support from the insured worker, is entitled to full benefits at age 62.

12. Claiming benefits

A. Benefits are matter of right, but claim must be filed.

B. Claim is filed with District Office of Social Security Administration not more than 3 months before and not more than 12 months after the first month in which claimant becomes entitled to benefits.

1) 12 month limit on retroactivity.
2) 2 year limit on filing for lump sum death payment.
3) If you have trouble with proofs supporting application (see below) file claim any way and get proffs in later.

C. Proofs may be needed in support of application, such as proof of age, death, marriage, parent-child relationship, support, payment of burial expense.

D. Decisions of the Social Security Administration may be appealed, eventually to the Courts.

13. Earnings after benefits start

A. The $1200 rule.

1) Any beneficiary (retired worker, dependent, survivor) can earn up to $1200 a year with no reduction in benefits. If he earns more, 1 month's benefit is deducted for each $80 of earnings or fraction thereof. After age 72, you may earn any amount without reduction.

a. Reduction applies to dependents of beneficiary even when they earn nothing.
b. When dependents earn over $1200, their checks are cancelled but not those of the beneficiary of the primary amount.

Exception: no matter how much you earn in a year, you can get monthly payments for any month in which you neither earned wages of more than $80 nor rendered substantial services in self-employment. The burden of proof is on you.

c. All gross earnings, in covered employment or not, should be reported before March 15 of the following year. Special arrangements can be made upon application to your District Office when you anticipate earnings in excess of the maximum.

d. Do not count income from rent, interest, dividends, business profits to owner who performs no services, gifts from other than the employer, workmen's compensation, insurance, company or union pensions, private insurance.

B. Recomputation of earnings after retirement.

Persons who have once been entitled to retirement benefits and who have been credited with more than $1200 in a calendar year may, under certain conditions, have their benefits recomputed to take into account the additional earnings.

14. How benefits may be lost

A. Death (ends primary benefit, changes dependents to survivors)
B. Marriage (of anyone receiving benefits as dependent or survivor)
C. Divorce (except of wife who has child of husband in her care)
D. Adoption (except by step-parent, grandparent, aunt or uncle)
E. Entitlement in own right

15. Relation of OASI to other types of income insurance

A. Unemployment compensation; 13 states reduce UC benefits to anyone drawing social security. Can draw both in other states if worker can meet tests of both systems.

B. Workmens Compensation; reduces disability benefit under OASI. Otherwise, can draw both, except in Minnesota when OASI benefits are deducted from payments for total permanent disability after latter has reached $18,000.

C. Employer and union pension and group life plans: can draw both.

D. Private insurance; can draw both.

E. Railroad Retirement Act (includes retirement, UC, sickness and disability)
1) 120 months needed to qualify under this law.
2) Worker with less than 120 months has records transferred to Social Security and figured into his OASI benefits, together with all other wages.
3) If RR benefit is less than Social Security, gets Social Security.
4) If eligible for both RR and OASI, gets both.

16. Some current controversies

A. Element of partial redistribution - OASI not true insurance.

B. Double taxation argument.

C. Blanketing-in

D. Freezing contribution rate; the Trust Fund.

E. Pay-as-you go plan.

F. Effect of continued earnings after 65.

G. Duplication and coordination.

17. Some union proposals for liberalizing the program.

A. Broaden coverage

B. Increase wage base beyond $4200.

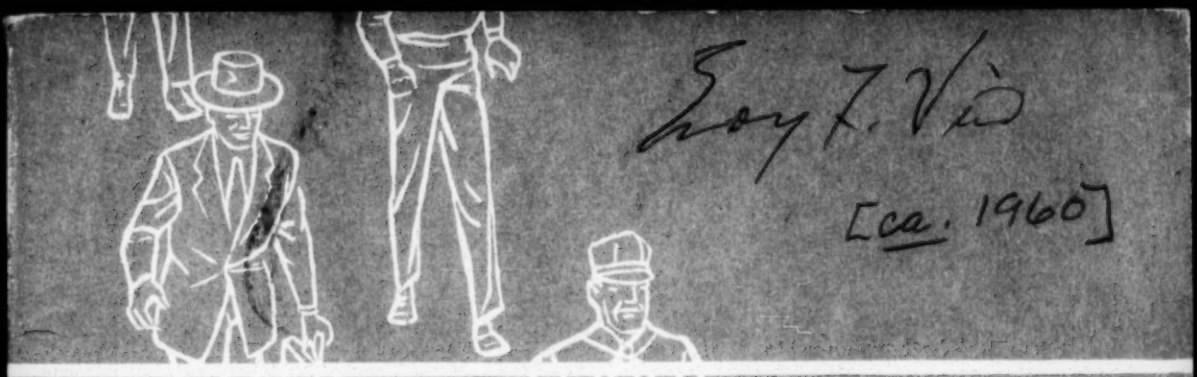
C. Adopt benefit formula permitting higher benefits for higher income workers.

D. Immediate benefits to disabled worker.

E. Restoration of annual increment.

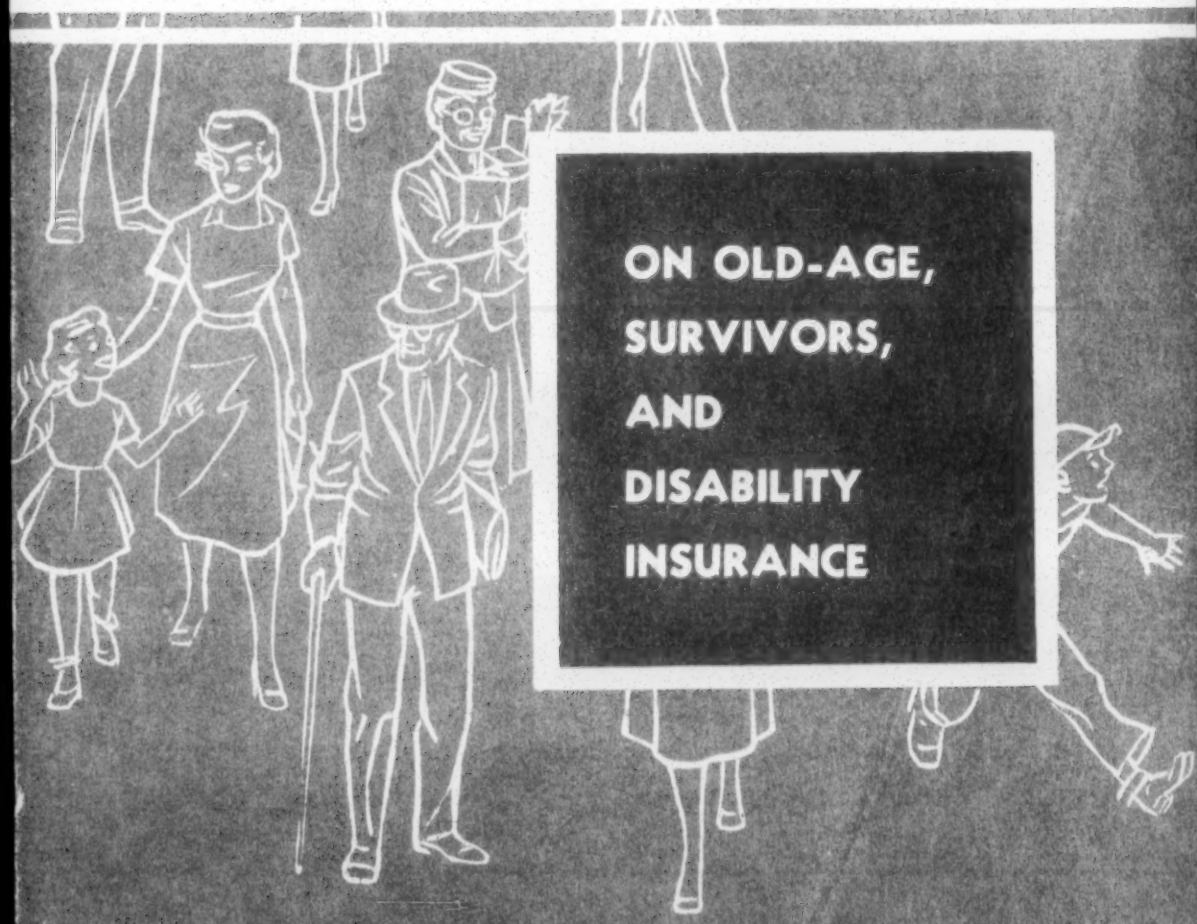
F. Reduce eligibility age of wives of beneficiaries.

G. Do something about sickness and the related loss of wages.



Gary F. Vio
[ca. 1960]

Social Security HANDBOOK



ON OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE

OASI 135

Publication No. 108

Unemployment Compensation

A Graphic Review

Research Council

FOR ECONOMIC SECURITY

September 1955

CHICAGO

Unemployment Compensation: A Graphic Review

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Research Council for Economic Security

The
RESEARCH COUNCIL FOR ECONOMIC SECURITY
111 West Jackson Boulevard Chicago 4, Illinois

A privately-financed research and educational organization, engaged in preparing, publishing, and distributing on behalf of the public interest, factual analyses on all phases of social and economic security.

Foreword

Of all the social security services administered by government, unemployment compensation has, perhaps, the closest relationship to the national economy. The public assistance programs are designed to meet the needs of what is, fortunately, a small segment of the population. Old Age and Survivors Insurance is designed to meet the needs of a growing, but restricted, portion of the population. The unemployment compensation programs, however, are prepared to service most of the employed population in the event that a worker becomes involuntarily unemployed.

The close relationship between the national economy and unemployment compensation is manifested in two major ways. There is a fiscal effect: if the economy prospers, tax receipts and therefore the reserve fund, go up while the number of beneficiaries and the amount of benefit payments go down, and vice versa. No less important, there is the long range effect of economic trends on basic provisions. For example, average weekly wages of covered workers rose from about $26 in 1939 to more than $71 in 1953, and average weekly benefits rose from about $10 in 1939 to more than $23 in 1953.

Because of its close relationship to the national economy, the experience of the unemployment compensation programs during the past 15 years should be given close study so that we may be able to evaluate present and future trends with some degree of accuracy.

The present study was prepared at a time when many changes in the state programs were being requested: liberalization of benefits and durations, an idealized program for states to emulate, and changes to allow industry to supplement the benefits. This study is being published 20 years after the Social Security Act went into operation, and 15 years after all the states and territories had started benefit payments.

This study is a graphic presentation of the experience of the unemployment compensation programs during the period 1939-1953 against the broad background of economic change. The charts, the tables, and the interpretation attempt to relate the experience under the state laws to general economic trends. It does not pretend to be intensive or exhaustive, but does provide a statistical base for further investigation.

Gerhard Gerhard

Director

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Preface

Renewed interest in a thorough evaluation of the unemployment compensation program has been stimulated by a number of recent developments:

> Guaranteed annual wage plans have, perhaps, provided the greatest impetus -
>
> A 1954 amendment to the Federal Act added some four million persons to those already covered under the state laws -
>
> Under-Secretary of Labor, Arthur Larson, in outlining an idealized program for the states to try to develop, recommended universal coverage of all wage earners -
>
> President Eisenhower recommended that the states increase minimum benefits to at least one-half of the average weekly wage of covered workers, and increase the duration of benefits to a minimum of 26 weeks.

The implications of extended coverage and liberalized benefits are obvious, but the possible effects of the guaranteed annual wage may not be as evident. The Ford and General Motors plans provide for employer supplementation of state unemployment benefits. The demand for such supplementation will give impetus to the liberalization of the state laws. Guaranteed annual wage plans of this type could become one of the strongest influences in bringing about legislative and administrative changes in the state unemployment compensation programs.

These developments are the most recent manifestations of the economic pressures that have brought about changes in the legislative provisions and administration of the programs throughout the years since the Unemployment Insurance Acts were first introduced in the various state legislatures. These changes invariably have been piecemeal, with little regard to the overall purpose of the programs in respect to fulfilling the needs of the national economy. An objective study of the entire unemployment compensation program is sorely needed.

In any case, the operation and experience of our various government programs need to be reviewed from time to time. The year 1954 marked the fifteenth year in which unemployment benefits were paid by all states and the territories of Alaska and Hawaii, and thus suggests such a review.

The following study presents the national totals of the operating experience of the unemployment compensation systems during these fifteen years. It provides a statistical and analytical basis preliminary to any detailed evaluation of the program. Groups who want to learn more about the unemployment compensation program and plan to discuss it in greater detail, will find key points in this material for the development of such discussions. The Research Council will be glad to receive inquiries, and to the extent possible, will try to assist such groups in identifying additional sources of information.

We want to express our appreciation to members of the staff of the Bureau of Employment Security of the U. S. Department of Labor and the Division of Unemployment Compensation of the Illinois Department of Labor for supplying additional data, reviewing the manuscript, and making pertinent and most helpful suggestions.

Introduction

Unemployment compensation has become accepted as an integral part of the nation's economic program. However, its acceptance has not engendered universal agreement as to the role it should play in the economy. What unemployment compensation is expected to do--what is wanted--affects the concept of the "proper" level of benefits, duration of benefits, and extent of coverage.

The Social Security Act of 1935 directly stimulated the passage of state unemployment compensation laws in 47 states and two territories during 1936 and 1937. Wisconsin already had such a program.

The Social Security Act did not set up a national system of unemployment compensation. The Act levied an excise tax of 1 percent of payrolls in 1936, 2 percent in 1937, and 3 percent thereafter, on firms employing eight or more persons in at least 20 weeks of the year. This tax did not apply to all activities. The self-employed, agricultural labor, government employees, domestic servants in private homes and college clubs, sailors on the navigable waters of the United States, and employees of most non-profit organizations were among those excluded. A later amendment excluded railroad workers who were then afforded unemployment compensation under the Railroad Retirement Act.

For those establishments covered, the Act provided that an employer contributing under an approved state unemployment compensation plan would be credited with up to 90 percent of his liability under the federal law. The full 90 percent would be allowed even if the employer contribution were reduced by the state through a system of experience rating based on the record of labor turnover, or benefit payments to former employees. Thus any tax advantage to employers in a state without an unemployment compensation law was eliminated. The Act further provided that the federal government would pay the administrative costs of all approved state programs.

By the middle of 1937, the 48 states, the District of Columbia, and Alaska and Hawaii had passed approved unemployment compensation legislation, and by 1939, all were paying benefits. Although no two state laws were the same in all respects, it was felt that such a nation-wide program would function to stabilize employment and provide temporary cash benefits to members of the regular work force who were involuntarily unemployed but seeking employment or waiting to be called back to their old jobs.

This program was to complement the other provisions of the Social Security Act. Although enacted during the depression, the Old Age Benefits (which became the

Old Age and Survivors Insurance under the 1939 amendments) and the unemployment compensation provisions were intended to alleviate future dependency. Stabilization of employment was to be encouraged and purchasing power maintained for those temporarily unemployed; some income was to be provided to older workers upon retirement.

To assist the states in meeting the immediate emergency of the needy aged, dependent children, and the needy blind, the Act set up a system of grants-in-aid. These public assistance programs also were to care for any needy person among those who, due to limitations of coverage or other exclusions, would not be able to qualify for benefits under the OASI or UC programs.

Originally, a good deal of emphasis was placed on the role of unemployment compensation in stimulating stabilization of employment. Employers were to be rewarded for a low rate of labor turnover by reduction of their contribution rate through experience rating. The cash benefits to former workers were to tide them over temporary spells of unemployment such as those resulting from temporarily reduced activity in an industry or from retooling. The employer could then count on the preservation of a trained labor supply since the worker would be able to remain in the locality until the temporary downturn was reversed. It was also felt that the benefits would permit a more orderly relocation of workers who became unemployed due to their jobs being eliminated by such conditions as technological change, the deterioration of an industry, or the cessation of the employing establishment.

In recent years more emphasis has been placed on the role of unemployment compensation in maintaining consumer purchasing power. It is contended that providing the unemployed with spendable income serves to resist a general recession or depression. The maintenance of demand for goods and services tends to inhibit the spiraling that led us into other serious depressions. This concept gives rise to proposals for higher benefits, longer duration of benefits, and extended coverage, especially as the cost of living rises.

There have been many changes in the state unemployment compensation laws since they were first passed. In general, these changes have (1) broadened coverage by including firms employing fewer than eight persons and by including some of the activities excluded under the federal law, (2) increased the weekly benefit amount and the duration of benefits, (3) raised the earnings required in the base period to qualify for benefits, (4) redefined the conditions under which claimants may qualify or be disqualified for benefits, and (5) extended experience rating to all states and territories.

The extent of these changes may be seen through the following comparisons:

In 1937, 29 states covered firms employing eight or more persons; 10 covering firms employing one or more.
In 1954, 17 states provided coverage for one or more.

In 1939, 42 states provided a maximum weekly benefit of $15, five had a $16 maximum, and four had a maximum of $18.
In 1954, the states provided for maximum weekly benefits ranging from a low of $20 to a high of $35, not including allowances for dependents.

In 1940, 29 states provided benefits for a maximum of 16 weeks. The maximum durations in other states ranged from 12 to 20 weeks.
In 1954, five states provided maximum durations of 16 to 18 weeks, 16 provided a maximum of 20 weeks, six provided maximums of between 22 and 24 weeks, and 24 provided for a maximum of 26 weeks or longer.

In 1937, 35 states had no effective minimum earnings requirement to qualify for benefits, two states required less than $100 to be earned in the base period, one required between $100 and $149; five required between $150 and $199, and in eight states a person could qualify for benefits on the basis of length of employment rather than total earnings.
In 1954, all states but one had an effective minimum earnings requirement. Earnings requirements ranged from $100 to over $350 in the base period, with 40 states requiring earnings of between $150 and $349. In only one state could a person qualify for benefits on the basis of length of employment alone.

Federal legislation in 1954 extended coverage under unemployment compensation to almost four million additional workers. The new law makes employers of four or more persons liable to the Federal Unemployment Tax Act, bringing in some 1.2 million new workers; it extends coverage to substantially all federal civilian workers, adding about 2.3 million; and allows the states to reduce the employer's payroll taxes under experience rating after one year of coverage instead of the previous limit of three years.

Many questions have been raised concerning the unemployment compensation programs since their inception. This publication is concerned solely with presenting statistical measures of the national experience. For a more complete evaluation of the program, we should have: (1) statistical measures of each state's experience to compare with the national experience, and (2) a detailed analysis of the changes in the economy, in the size and composition of the labor force, and of the changes in the state laws.

CHARTS 1 AND 2

This story of unemployment compensation begins with the number of workers covered under the state programs. It is a rough measure of the number of people who could receive benefits if they became unemployed. For a better understanding of their importance, the number of workers in covered employment is presented against the broad background of the total population, the civilian labor force, and the civilian employed.

The total United States population increased by more than 28 million persons from 1939 to 1953, or by 21.5 percent. The civilian labor force, i.e., all who either had a job or were looking for work, increased by 14.8 percent during this period, an increase of almost 8 million. There are many reasons why the civilian labor force may not keep pace with population changes. Perhaps, the primary factor in the early 1940's was the number of workers and potential workers taken into the Armed Services. From 1939 to 1943, the population increased by 4.5 percent, while the civilian labor force increased by only 0.6 percent. From 1943 to 1948, however, the labor force increased to a greater degree than the population, as millions of men and women entered the labor force after discharge from the Armed Services.

From 1948 to 1953, population rose 8.5 percent and the labor force increased by 3.2 percent. Three major factors influenced this trend. Because of the low birthrates of the early 1930's, the number of persons coming of working age was reduced so that there were relatively fewer entering the labor force. The emphasis on higher education coupled with the G. I. Bill delayed the entrance into the labor force of many persons of working age. The high marriage and birth rates in the post-war period not only increased that proportion of the population which was too young to work, but also eliminated many women from the labor force. In addition, the development of private pension plans in industry coupled with increasing benefits under Old Age and Survivors Insurance may have influenced some older persons to retire from the labor force earlier than otherwise.

Within the labor force, from 1939 to 1953, the number employed rose 35.3 percent, an increase of more than 16 million. The major share of this increase, 19.1 percent, occurred during the pre-war and first years of World War II, 1939 to 1943, when production of war materials for lend-lease and our own war effort went into high gear. The number of workers in employment covered under state unemployment compensation programs rose 71.2 percent from 1939 to 1953, an increase of more than 15 million. More than half of this increase occurred from 1939 to 1943 also. In general, the rise in employment and covered employment during the period 1939 to 1953 is one manifestation of the generally good economic conditions the United States has enjoyed since shortly before Pearl Harbor.

Of the many reasons why covered employment rose at a higher rate than all civilian employed, the most obvious are the broadened coverage under the changing state laws and the decrease in agricultural workers, most of whom are not covered. Chart 2 shows that in 1937, 29 states covered firms employing eight or more persons, and 10 states covered firms employing one or more. In 1953, 22 states covered firms employing eight or more and 17 covered firms employing one or more. Other changes extended coverage to activities not formerly covered. In addition, 49 of the systems permitted voluntary coverage by establishments having less than the statutory number of employees and 39 of the laws provided for voluntary coverage of activities not automatically covered by the statutes. In the face of a growing population, labor force, and rising employment during the years 1940 to 1953, the number of agricultural workers decreased by more than three million, or by 31.7 percent. In 1940, there were 9,540,000 agricultural workers, and in 1953 there were 6,528,000. Put another way, agricultural workers comprised 20.1 percent of the employed in 1940, and only 10.5 percent in 1953.

TOTAL POPULATION CIVILIAN LABOR FORCE CIVILIAN EMPLOYMENT

EMPLOYMENT COVERED UNDER STATE UNEMPLOYMENT COMPENSATION PROGRAMS

FOR SELECTED YEARS, 1939 — 1953

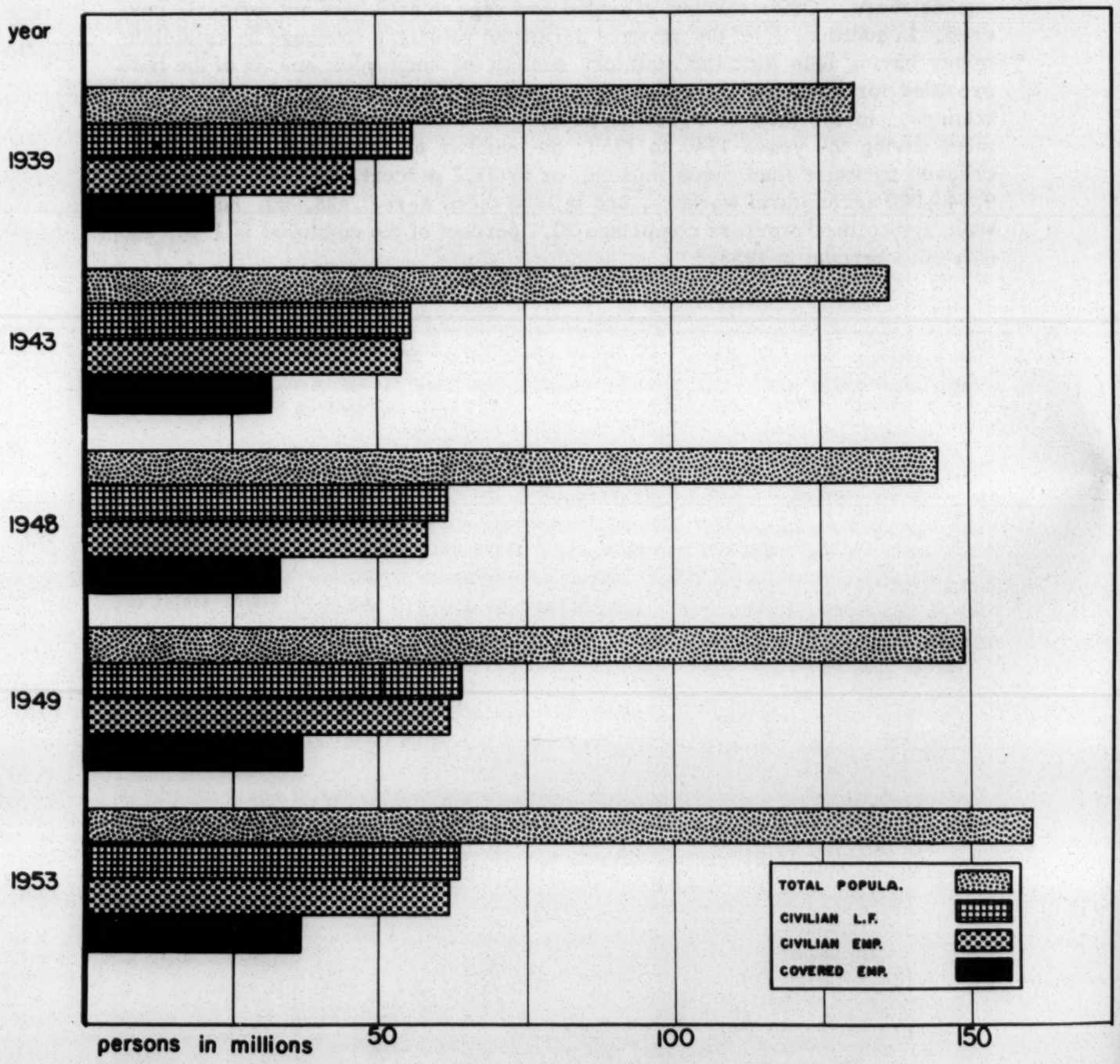


CHART 1

NUMBER OF STATES COVERING FIRMS EMPLOYING EIGHT OR MORE

AND COVERING FIRMS EMPLOYING ONE OR MORE

1937 & 1953

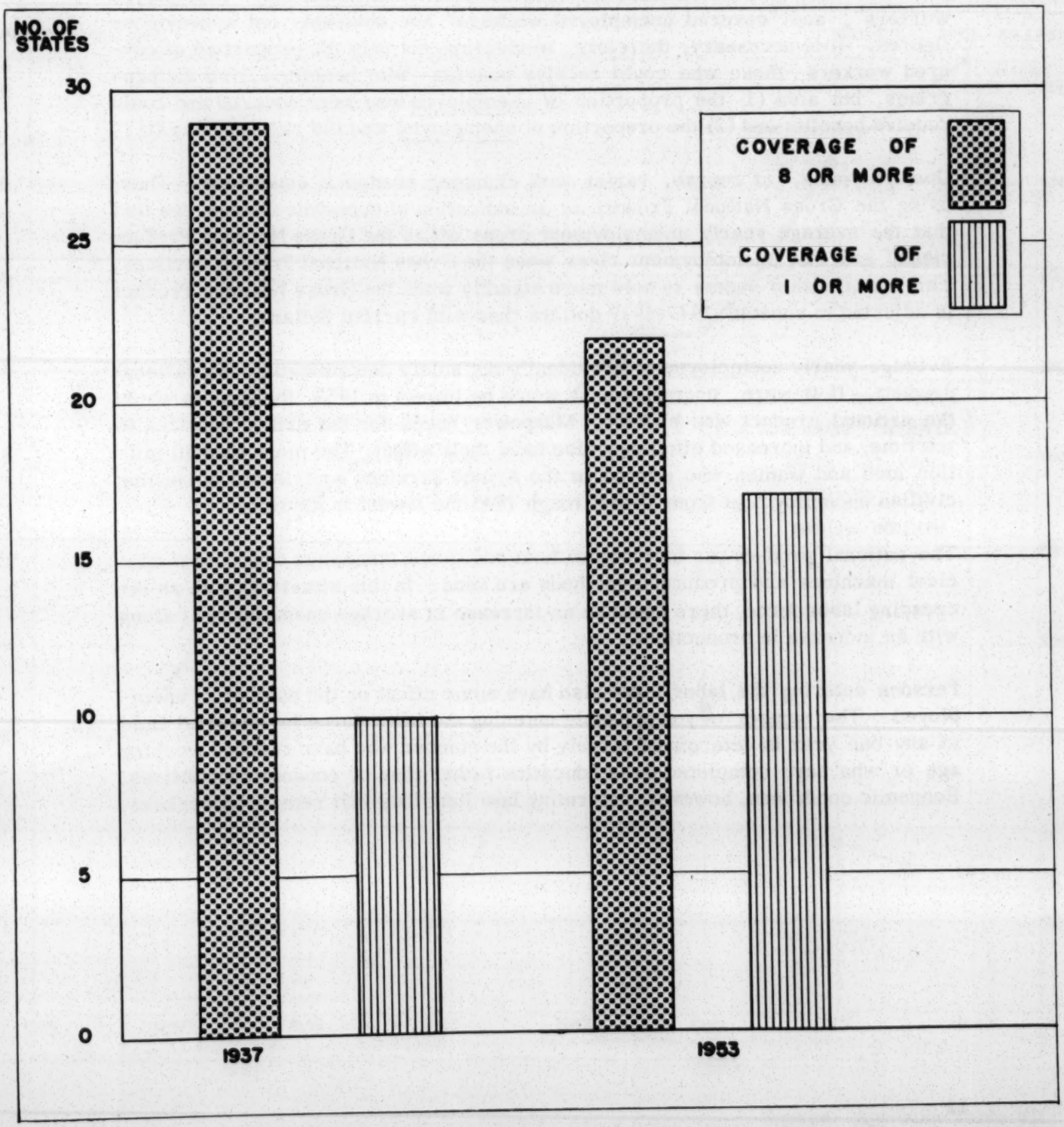


CHART 2

Source: Appendix Table I

CHART 3

Since the covered workers under the unemployment compensation laws (shown in Charts 1 and 2) do not include all workers in all establishments, "unemployed workers", and "covered unemployed workers" are obviously not synonymous figures. It is necessary, therefore, to measure not only the proportion of covered workers--those who could receive benefits--who benefited from the programs, but also (1) the proportion of unemployed who were covered and could receive benefits and (2) the proportion of unemployed who did receive benefits.

Unemployment, of course, varies with changing economic conditions. Thus, using the Gross National Product as an indication of economic change, we find that the average yearly unemployment drops off as the Gross National Product rises, and that unemployment rises when the Gross National Product declines. This relationship seems to hold more steadily when the Gross National Product is adjusted to constant 1947-1949 dollars than with current dollars.

Average yearly unemployment is evidently not solely determined by the national product. If it were, unemployment would be lowest in 1953, the year in which the national product was highest. Manpower needs for the Armed Services in wartime, and increased efficiency also have their effect. The more than 10 million men and women who served in the Armed Services contributed in keeping civilian unemployment from 1943 through 1945 the lowest in history.

The national product can increase without additional manpower when more efficient machines and production methods are used. In this situation, with an increasing labor force, there could be an increase in average unemployment along with an increase in production.

Persons entering the labor force also have some effect on the number of unemployed. The number of young people entering the labor force for the first time in any one year is determined largely by the number who have reached working age or who have completed their education rather than by economic conditions. Economic conditions, however, determine how long they will remain job seekers.

AVERAGE UNEMPLOYMENT & GROSS NATIONAL PRODUCT

1939 - 1953

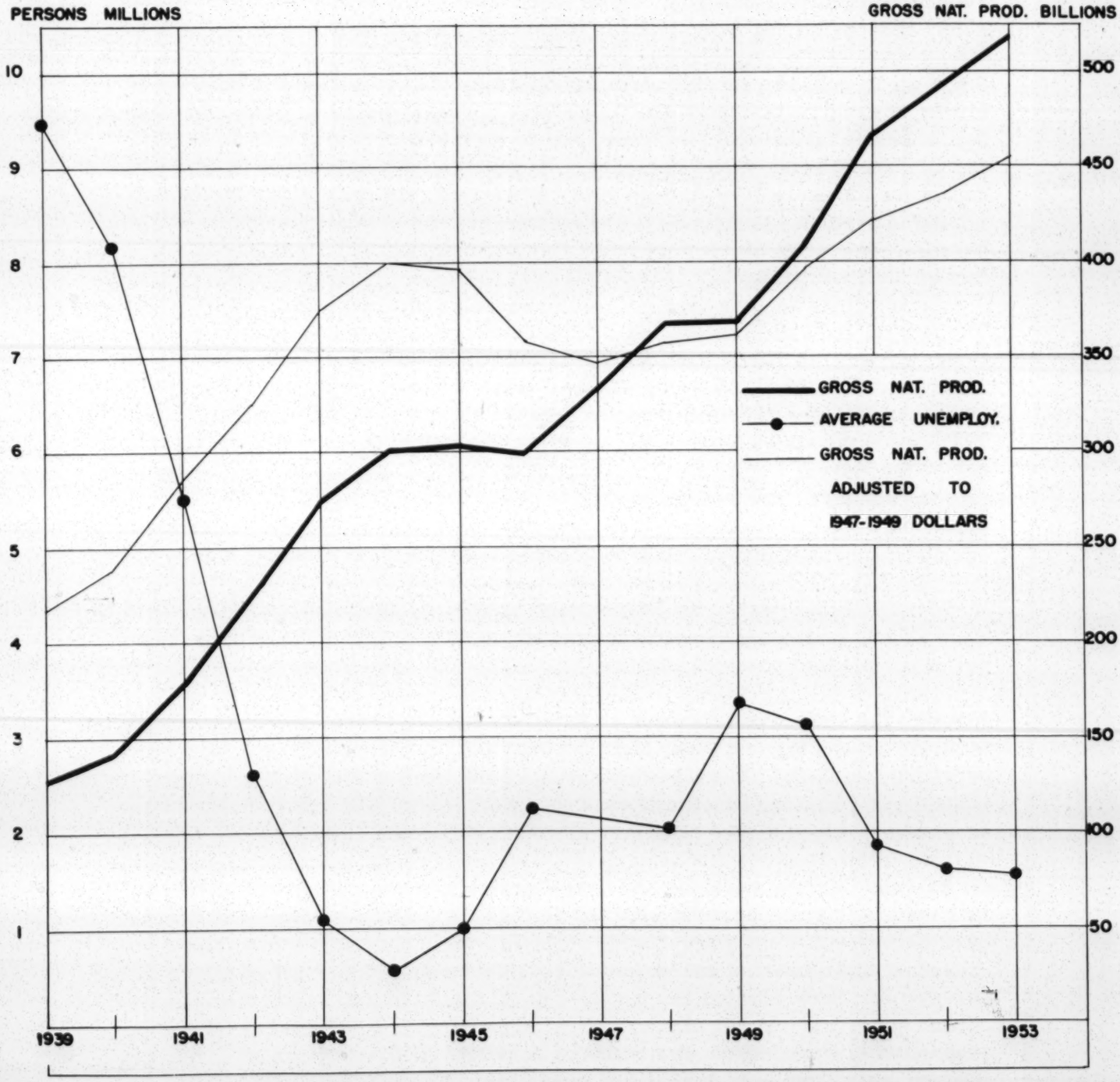


CHART 3

Source: Appendix Table VII

CHART 4

Chart 3 has demonstrated, as was expected, that the pattern of unemployment is related to economic changes. It has also shown that economic changes are not solely responsible for the variations in average unemployment.

Since the people who receive unemployment benefits are part of the total unemployed, it could be presumed that as average unemployment increased, the number of beneficiaries would increase, and as unemployment decreased, the number of beneficiaries would decrease. In general, this appears to be the case, except for the years 1939 through 1942. After 1942, the lines depicting the variations in average unemployment and average number of beneficiaries do not run parallel, indicating that factors other than unemployment are also having an effect on the average number of beneficiaries.

The federal and state laws excluded from coverage many industries and occupations, as well as firms employing less than eight workers. Many unemployed could not, therefore, claim benefits. During the early years of the program comparatively few received benefits because the program was immature. In 1939, when the states began to pay benefits, the United States was just climbing out of the "Great Depression" and unemployment was high. Most of the unemployed, however, had not yet worked in covered employment or had not earned sufficient wage credits to qualify for benefits. Less than 10 percent of the average number of unemployed received unemployment compensation in 1939.

In the succeeding years, as employment increased, more and more workers were able to qualify for benefits, and in 1946 more than half of the average number of unemployed received benefits.

Although the state laws have been amended through the years to extend coverage to firms employing less than eight persons and to occupations and industries previously excluded, there has not been an increase in the relative number of unemployed receiving benefits in each successive year. The yearly fluctuations, as shown in Chart 8, are caused by a number of factors. Among these are: (1) changes in the proportion of unemployed from covered and uncovered industries; (2) persons seeking work for the first time are listed as unemployed until they find work; (3) some persons who had worked in covered employment may not have earned sufficient wage credits to qualify for benefits; (4) others may have exhausted their benefits and were still not employed; (5) and a substantial number who had been counted as unemployed returned to work before they had received their first benefit check. All of these factors would tend to reduce the proportion of unemployed who received benefits. Because these and other influences vary from year to year and month to month, the relationship between the average number of unemployed and the average number of beneficiaries does not run parallel.

AVERAGE UNEMPLOYMENT AND AVERAGE NUMBER OF U.C. BENEFICIARIES 1939 – 1953

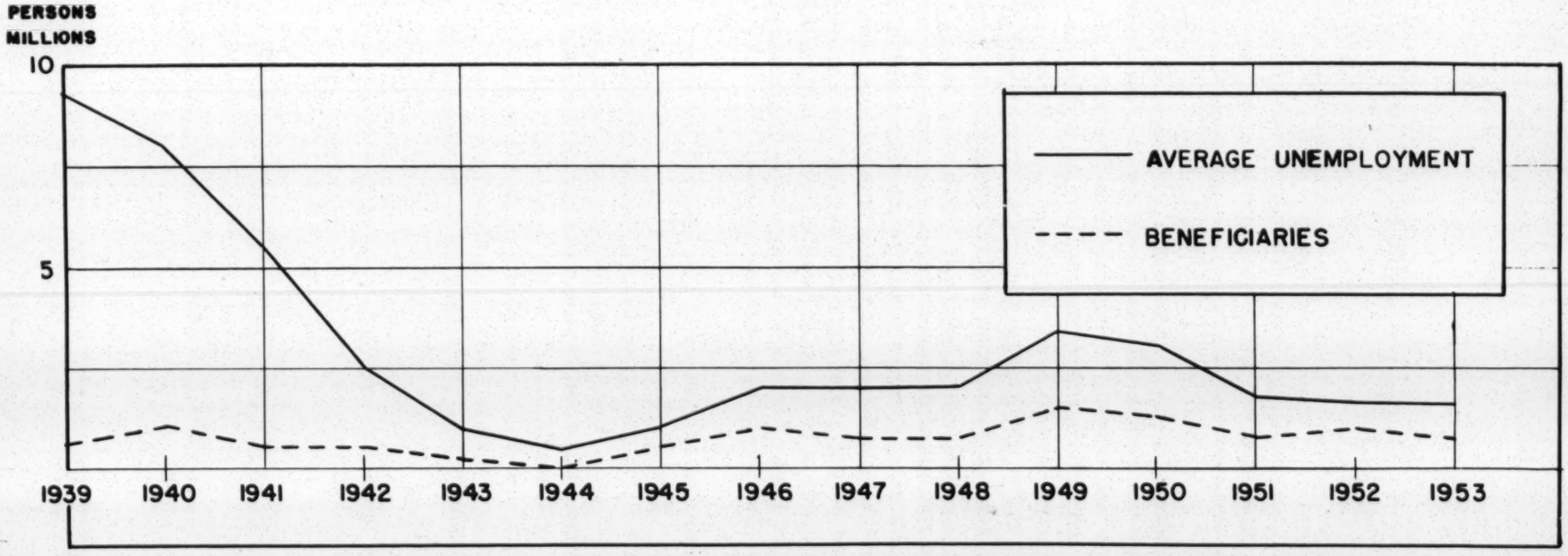


CHART 4

Source: Appendix Table VII

CHARTS 5, 6, and 7

Chart 4 has shown that all unemployed do not receive unemployment compensation, and the discussion indicated that all who claim benefits do not necessarily receive them. Chart 5 shows the difference between the total number of persons claiming and receiving unemployment compensation from 1943 through 1953.

Before discussing these differences, it should be explained that figures in this chart are not comparable with the figures on the previous charts. The number of claims and number of beneficiaries in Chart 5 are the totals of the different claims and different beneficiaries throughout the year. The average number of beneficiaries, unemployed, employed, in covered employment, etc. shown in previous charts are averages computed from monthly figures and do not express the total number of different people throughout the year.

The rise and fall of the number of claims generally reflects changes in the economy as a whole. During the war years when unemployment was low, there were relatively few claimants. Beginning with reconversion, the number of claimants increased sharply, and numbered almost seven million in 1946. The recession of 1949 resulted in a rise of more than four million different claimants as compared with 1948. From 1951 through 1953, there were between 6.5 and 6.9 million different people filing claims per year.

The proportion of claimants who receive benefits is not constant from year to year, as Chart 6 clearly demonstrates. There are a number of reasons why benefits are not paid to claimants. Some persons file claims although their job was not covered. Others may not have sufficient wage credits to qualify for benefits. Some claims are not allowed because the claimants did not become unemployed involuntarily; workers on strike fall into this category in most states. Then there are the large numbers of people who file claims but find work before the waiting period is ended and therefore receive no benefits. There are also some claimants who are judged not to be available for work and are denied benefits.

Since the number of claimants disqualified would vary from year to year because of employment opportunities, increased awareness of whether or not one is covered and has sufficient wage credits, the number of strikes, and many other conditions, there is no constant relationship between the number of claimants and the number receiving benefits.

Chart 6 shows that since 1943 there has been a general increase of 9.1 percent in the proportion of claimants receiving benefits. And there has been a decrease

of 4.2 percent in the proportion of claimants who did not have insured status, that is, they were not employed in covered jobs or had not earned sufficient wage credits. These overall changes took place during a period in which the states were tightening up their administrative practices, requiring higher base period earnings for qualification, and reducing the waiting period. For example, in 1937, 35 states had no effective minimum earnings requirement to qualify for benefits, in eight states qualification was based on length of employment, and in the eight states which required minimum earnings the range was from less than $100 to $199. In 1952, all states had some effective minimum; 31 required earnings of $200 or more, and five of these required earnings of $350 or more (Chart 7).

The decrease in the proportion of claims disallowed because of not meeting insured status may be explained by the fact that since the inception of the program more and more covered workers have been able to earn sufficient wage credits through steady work. This is pointed up by the decrease in such disqualifications during and directly after World War II. The higher proportion of claimants receiving benefits is due, in part, to the fact that more people had insured status, and in part, to a better understanding of the program. Fewer workers may be filing claims when they have insufficient wage credits or had not worked in covered employment.

NUMBER OF NEW CLAIMS FILED

AND NUMBER OF BENEFICIARIES

1943 — 1953

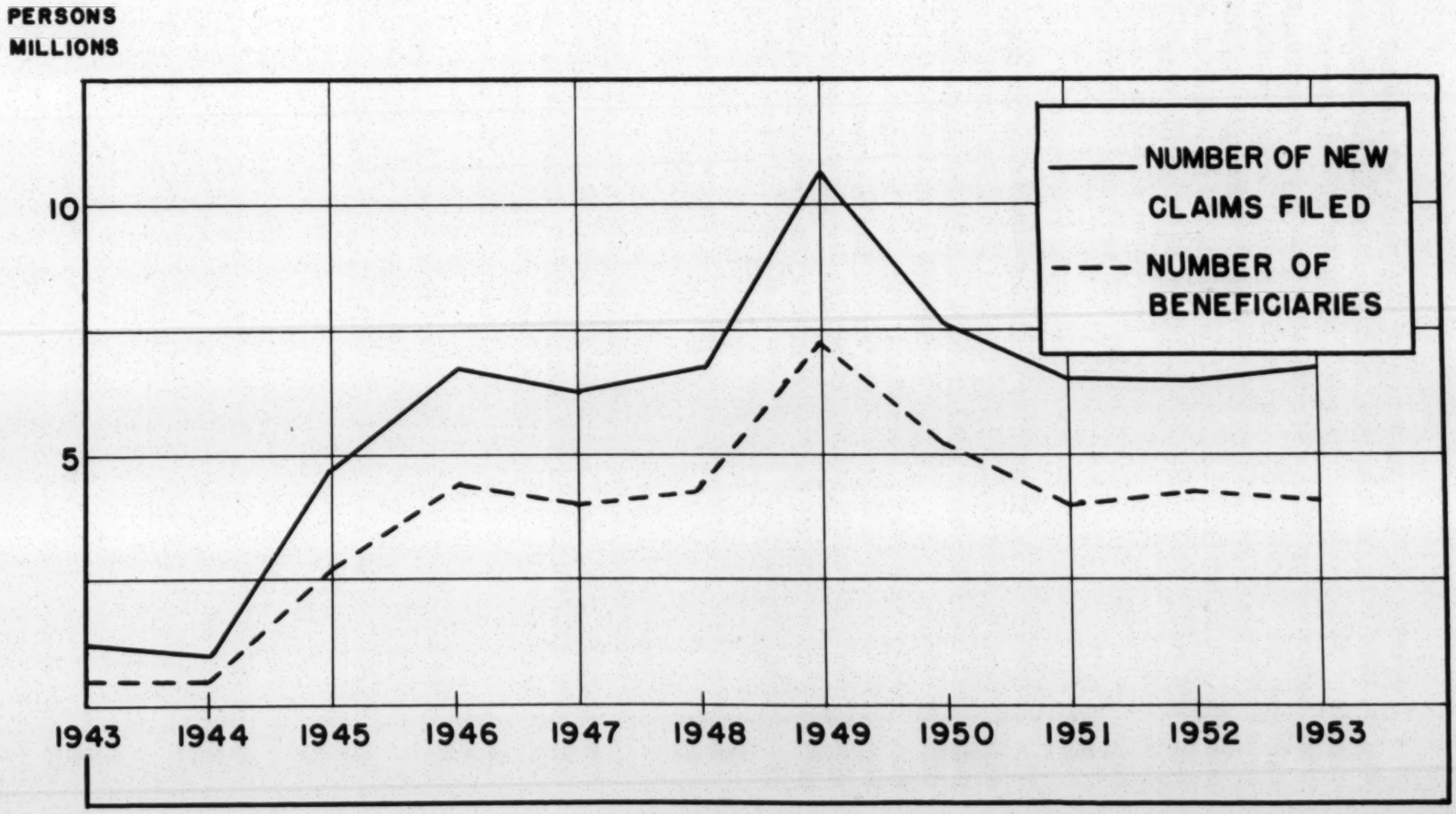


CHART 5

Source: Appendix Table VII

PER CENT OF CLAIMANTS RECEIVING U.C. BENEFITS 1943 — 1953

AND PER CENT OF CLAIMS DISALLOWED BECAUSE CLAIMANT

DID NOT MEET INSURED STATUS 1939-1953

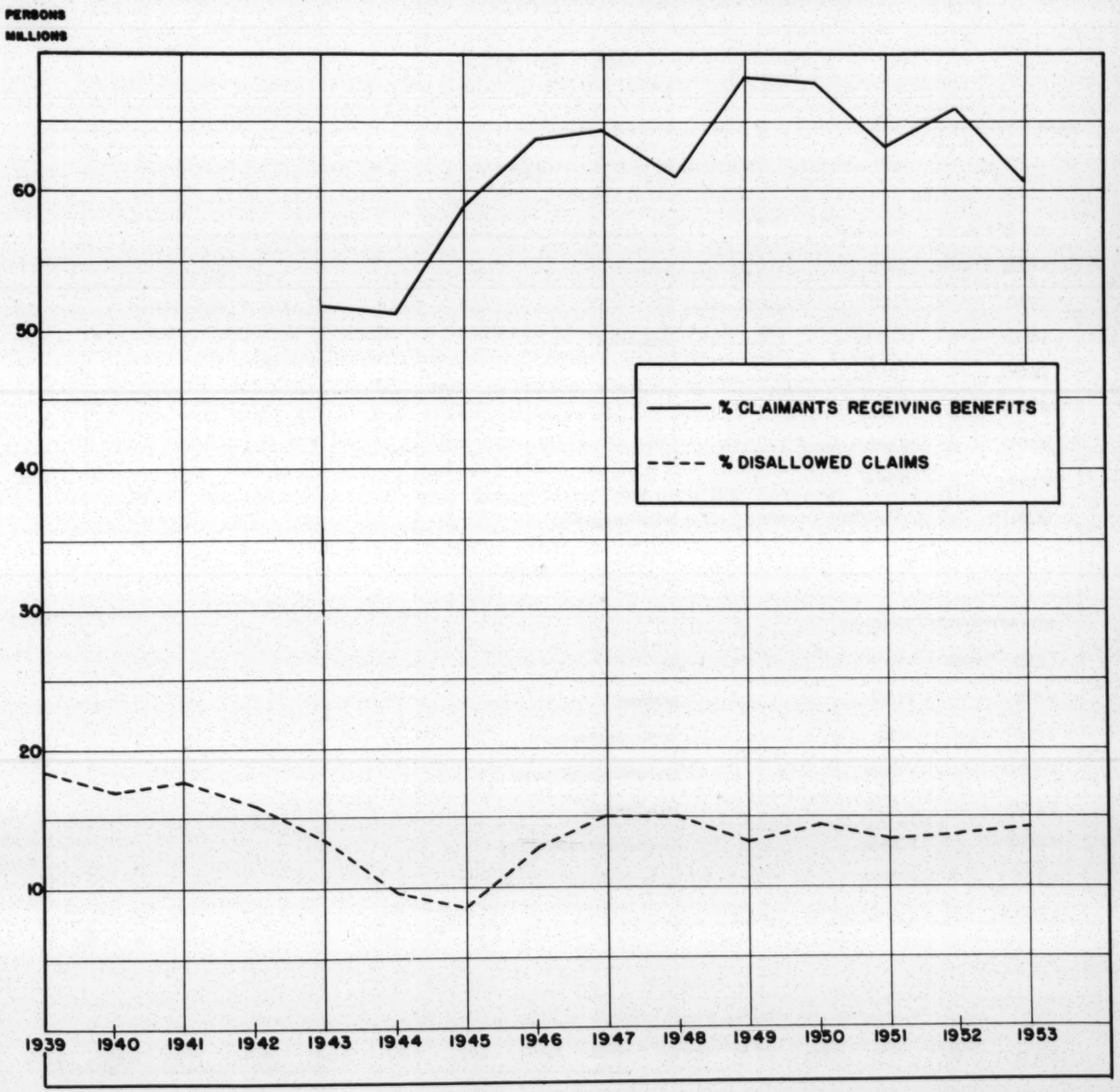


CHART 6

Source: Appendix Table VII

NUMBER OF STATES BY MINIMUM EARNINGS TO QUALIFY FOR

UNEMPLOYMENT COMPENSATION

1937 & 1953

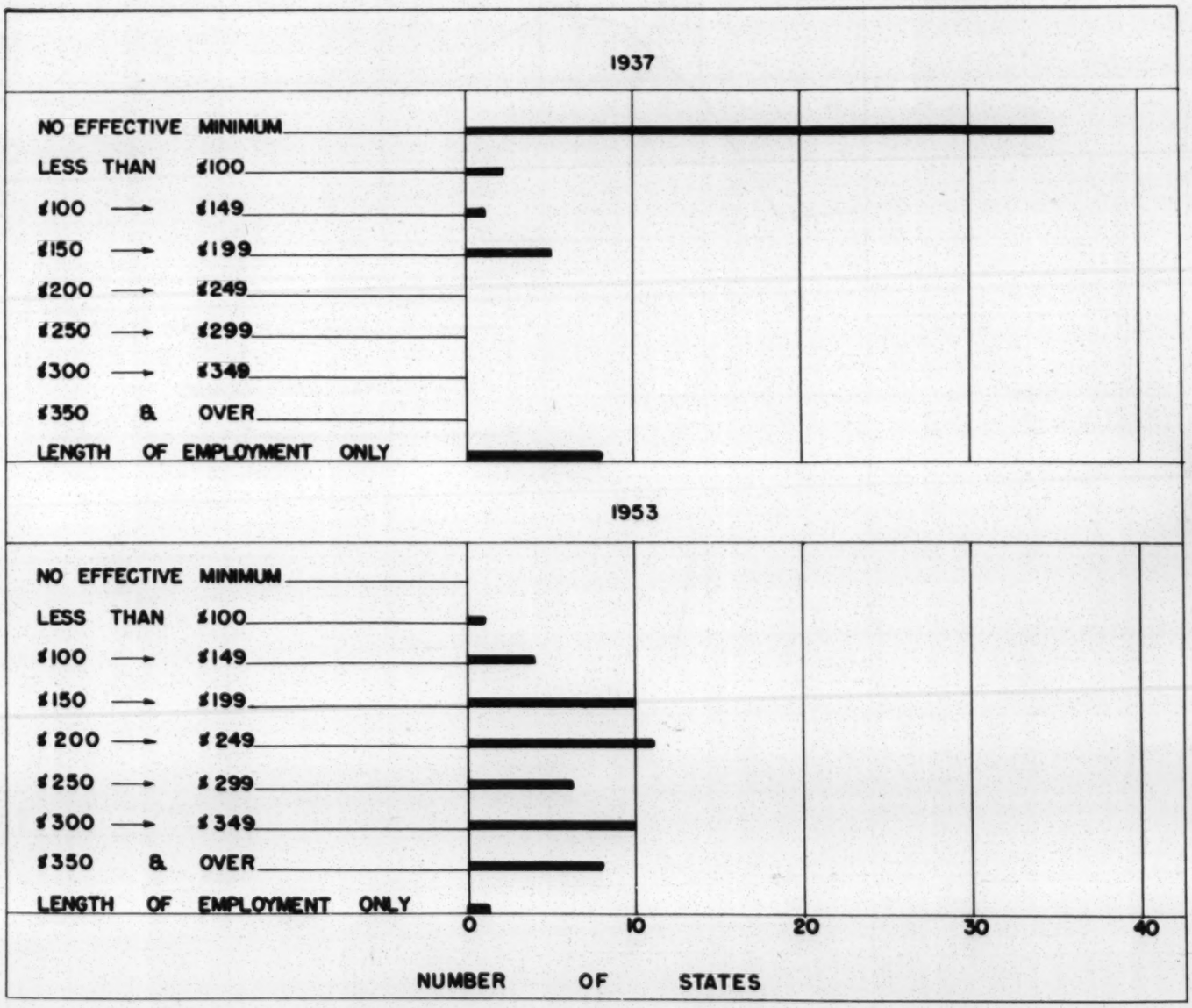


CHART 7

Source: Appendix Table II

CHART 8

Chart 1 has shown that, in general, the average number of workers in employment covered under the state unemployment compensation laws increased at a higher rate than the average of all employment during the years 1939 through 1953. The proportion of average employment covered under unemployment compensation programs rose 12.4 percent during this period. Many factors worked to bring about this increase.

The movement from farm to city reduced farm employment by more than three million from 1940 to 1953. This was brought about, in part, by the lure of high wages in the city and by the increased use of labor-saving farm machinery. Since most farming occupations are not covered by the state laws, and since a good proportion of the three million probably did obtain work in covered employment, there was thus a rise in the proportion of workers in covered employment. Another obvious factor is the extension of coverage by the states during this period. The original federal law did not cover a firm that employed less than eight persons, nor did it include many activities, such as the self-employed and farming, and most states kept these limitations. Difficulties of administration and tax collection for these groups seemed to necessitate their exclusion. In succeeding years, public opinion and more mature administrative procedures allowed for extended coverage. Some state laws extended coverage to activities previously excluded, and seven additional states extended coverage to firms employing less than eight persons (Chart 2).

Chart 4 shows how many unemployed persons (averaged over a year) actually receive unemployment benefits. In this chart, yearly fluctuations and general increase in the proportion of unemployed receiving benefits is portrayed more clearly.

The proportion of the average yearly unemployed receiving benefits rose from less than 10 percent in 1939 to over 50 percent in 1953. It should be remembered that the state programs do not cover all workers, and, as the discussion of Chart 5 brought out, there are many reasons why persons who claim benefits may not receive them. During the early years of the program there was considerable unemployment and short term employment. Therefore, many of the persons unemployed in 1939 had never worked in covered employment or did not have sufficient wage credits to qualify for benefits.

During the pre-war and war years, many more workers became eligible for benefits. The low percentage of beneficiaries during the war period, however, may have been because many were able to return to work before they became eligible

for their first benefit check, many may have left their jobs voluntarily, and others may have been disqualified because they would not take suitable work. There were also a group of people who entered the labor force for the first time during this period, and, of course, were not covered under the programs. The sharp rise in the proportion of the average of the unemployed receiving benefits during the reconversion period points up the fact that many had become eligible during the war years.

The yearly fluctuations result, in part, from the varying numbers of new entrants into the labor force each year, the number of people still unemployed after exhausting their benefits, and the varying number of claimants disqualified each year.

EMPLOYMENT COVERED BY U.C. AS A PER CENT OF ALL CIVILIAN EMPLOYMENT

AND THE PER CENT OF UNEMPLOYMENT WHO RECEIVED U.C. BENEFITS

1939 — 1953

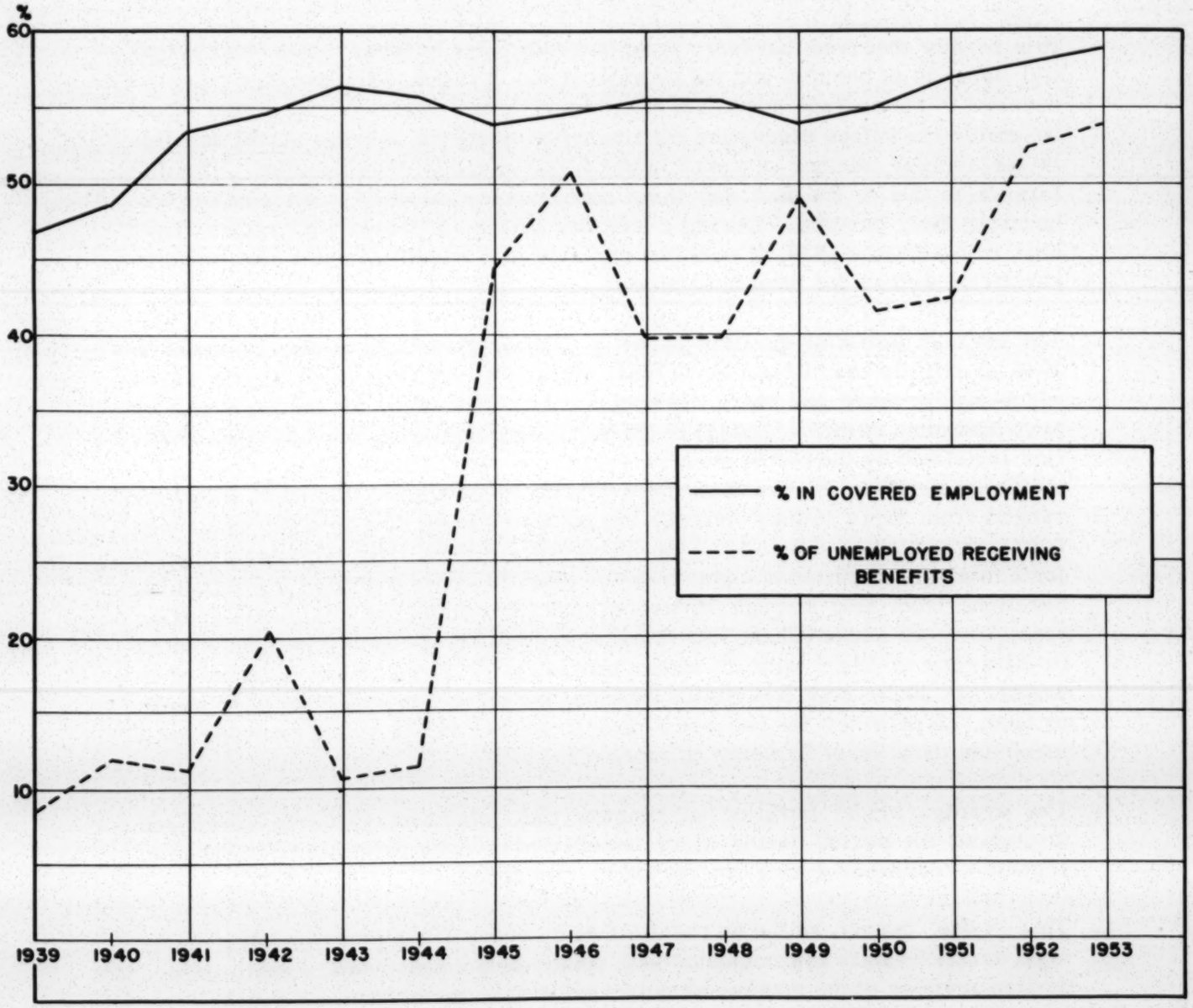


CHART 8

Source: Appendix Table VII

CHARTS 9, 10, and 11

Charts 1 through 8 have depicted the long term trends and yearly fluctuations in the number of persons receiving unemployment compensation from 1939 through 1953. Charts 9 through 15 will indicate the average duration and average weekly benefit amount received by beneficiaries during this period.

It is readily observed that there is quite a difference between the average potential duration of benefits and the average actual duration. The average potential duration is the average maximum duration the beneficiaries during a year would be entitled to before exhausting their benefits; while the average actual duration is the average number of weeks in which they actually drew benefits. The difference is due to the fact that most beneficiaries returned to work before exhausting their benefits. During conditions of rising prosperity, such as have been enjoyed since 1939, it would be expected that reemployment would be comparatively swifter for most unemployed.

The average potential duration shows a gradual rise from almost 20 weeks in 1946 to slightly over 22 weeks in 1953. This is a reflection of (1) higher wages which enable more and more covered workers to qualify for the maximum or near maximum duration, and (2) of the increasing minimum and maximum duration legislated by the states over the years. In 1940, nine states provided for a minimum duration of less than three weeks; in 23 states, minimum durations ranged from three to less than nine weeks; in the other 19 states the range was from a minimum of nine to less than 17 weeks. In 1951, only 16 states provided for a minimum duration of eight weeks or less; 20 states provided for minimum durations from nine through 16 weeks; and 13 provided for minimums ranging from 18 to 26 weeks (Chart 10). Maximum duration of benefits ranged from 12 to 20 weeks in 1940, with 29 states providing for a maximum duration of 16 weeks. In 1951, only five states provided for maximum durations of 16 weeks or less, 28 provided for between 17 and 25 weeks, and 18 states provided for a maximum duration of 26 weeks or more (Chart 11).

The average actual duration of benefits has remained relatively unchanged throughout the period during which benefits have been paid when the range of economic conditions during this period is considered.

This is due, in part, to the fact that the early years of the program when maximum durations were low coincided with relatively poor economic conditions, and upward revision of the maximums coincided with better economic conditions.

During the war years the average actual duration was low since maximum durations were low and the beneficiaries in this period of short labor supply were able to get new jobs more quickly. The rise in average actual duration during the reconversion period and the recession of 1949 indicates that more of the beneficiaries were able to qualify for the more liberal maximums enacted by the states. However, the peaks in average actual duration were less than 14 weeks, six weeks less than the average potential duration in 1946, and seven weeks less than in 1949. This would indicate that economic conditions were such as to allow most of these beneficiaries to become reemployed before exhausting their benefits.

AVERAGE ACTUAL DURATION OF BENEFITS 1940—1953

AND AVERAGE POTENTIAL DURATION OF BENEFITS

1946—1953 (IN WEEKS)

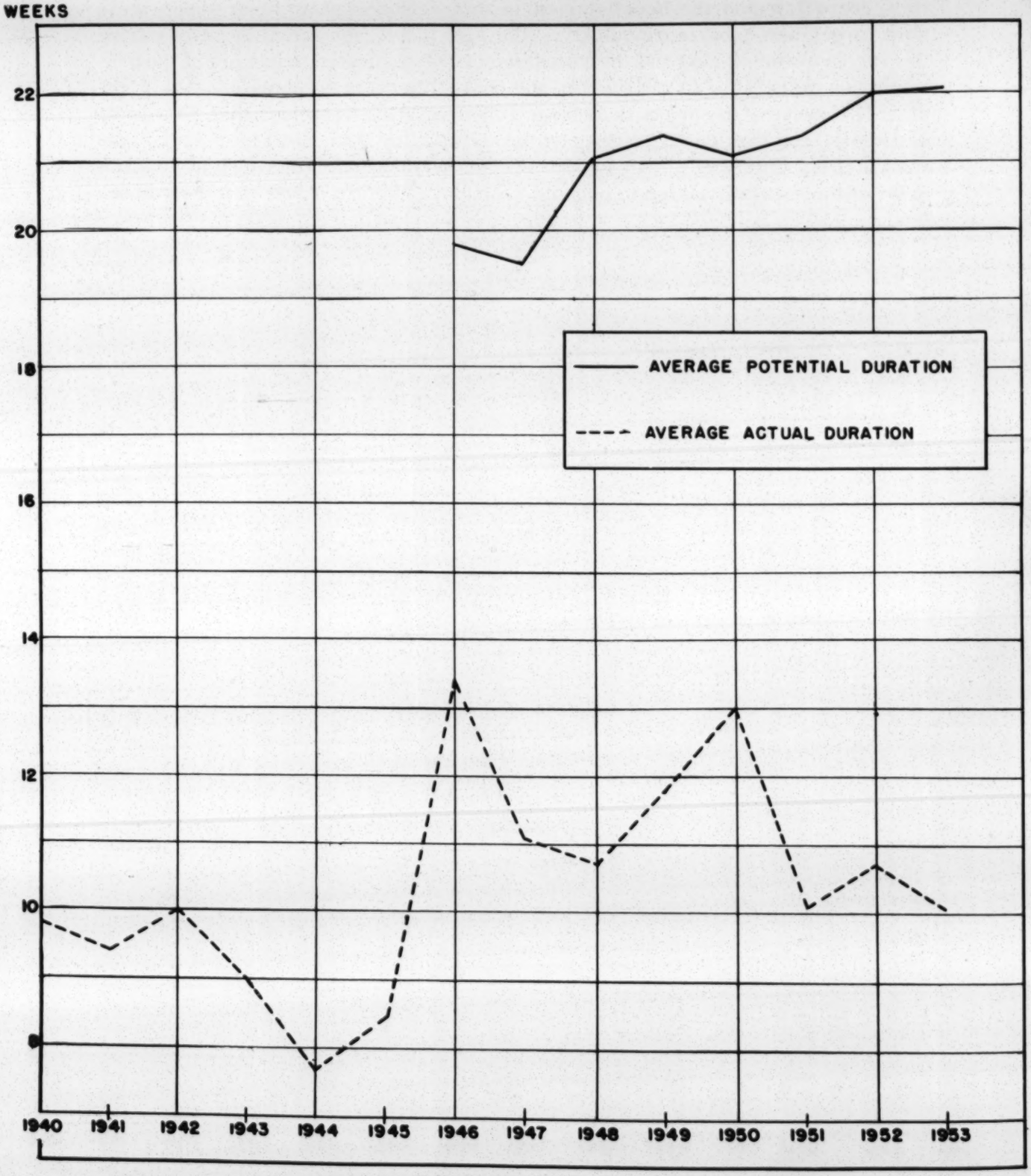


CHART 9

Source: Appendix Table VII

NUMBER OF STATES BY MINIMUM WEEKLY DURATION OF

UNEMPLOYMENT COMPENSATION PROVIDED

1940 & 1953

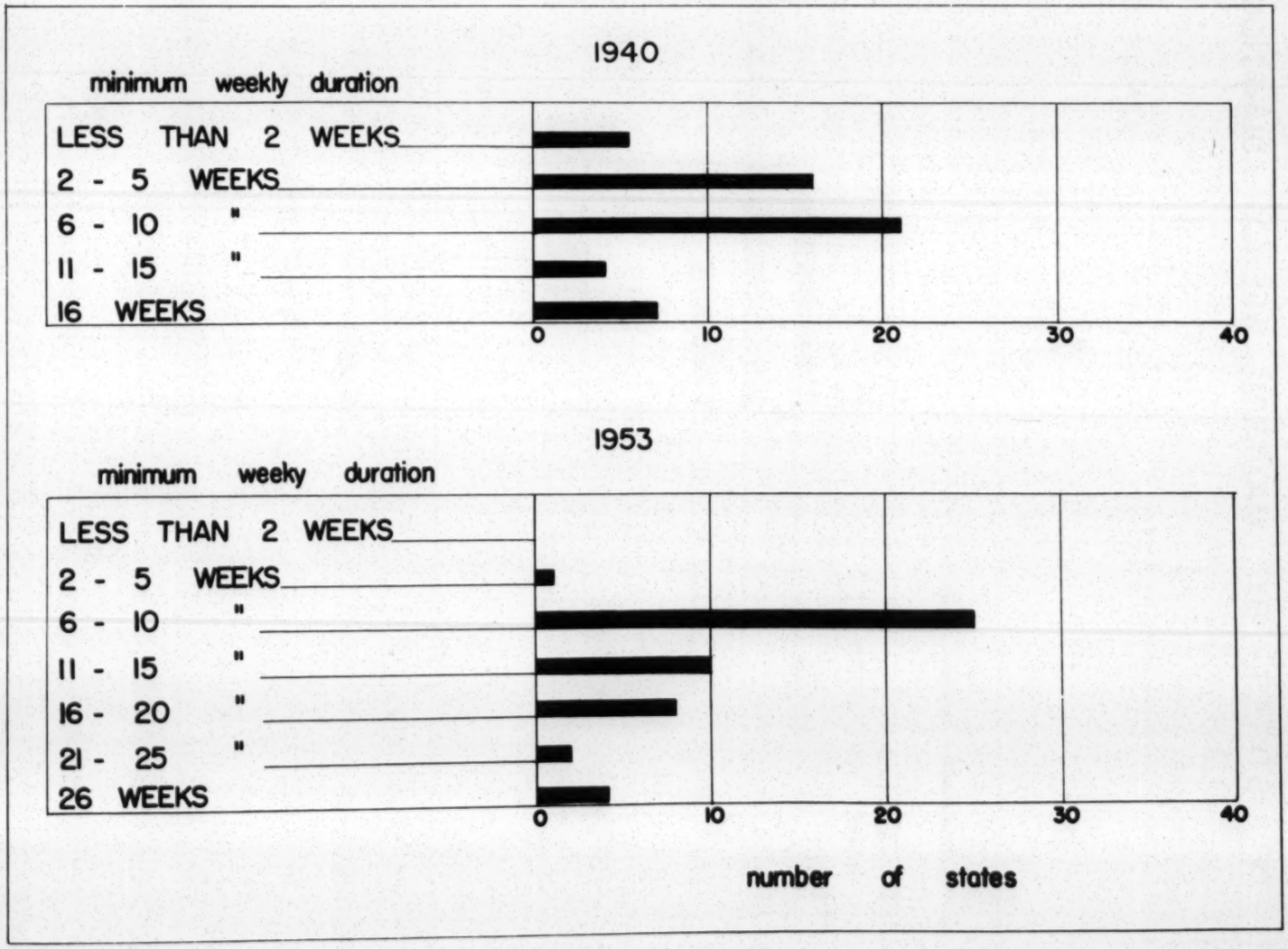


CHART 10

Source: Appendix Table V

NUMBER OF STATES BY MAXIMUM WEEKLY DURATION OF UNEMPLOYMENT COMPENSATION PROVIDED, 1940 & 1953

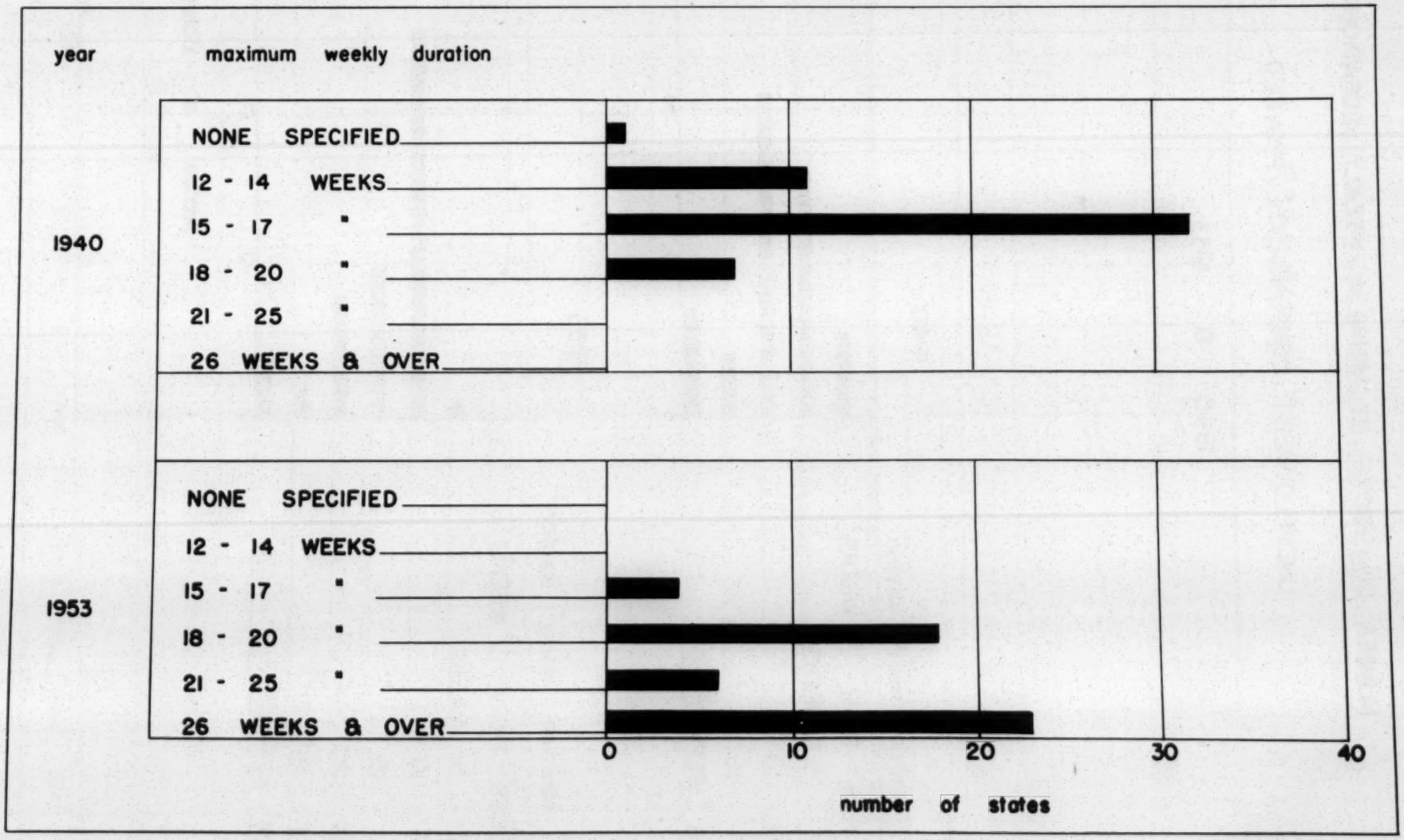


CHART 11

Source: Appendix Table VI

CHARTS 12 and 13

It has been stated in discussing Chart 9 that the number of beneficiaries who exhaust their benefits influence the actual average duration of benefits received. Charts 12 and 13 take a closer look at the number and proportions of beneficiaries exhausting benefits during the period 1940-1953.

The number of persons exhausting unemployment compensation benefits in any year is related to the prevailing economic conditions as well as to the minimum and maximum durations provided for under the state laws. As Chart 12 points out, economic conditions during the years 1940-1953, as measured by average yearly unemployment, bears a strong relationship to the number of persons who received unemployment compensation and to the number who exhausted these benefits. In general, economic set-backs such as the pre-war period, post-war reconversion, and the recession of 1949 have not only been associated with a rise in unemployment, but also with extended durations of unemployment. Under such conditions, even the unemployed person who has had enough work experience to qualify for unemployment compensation finds it more difficult to obtain a new job before his benefits run out.

The proportion of beneficiaries exhausting unemployment benefits has, in general, declined since 1940, as Chart 13 shows. Here again, the responsibility rests with the broad economic changes and the changing durations under the state laws. The Gross National Product, as pictured in Chart 3, indicates generally increasing prosperity since 1939. Charts 8 and 9 show that both the minimum and maximum duration of benefits have increased substantially since 1940. Under these conditions, covered workers were not only eligible for a longer period of compensation when unemployed, but also found new jobs more quickly, thus reducing the proportion of beneficiaries who exhausted benefits.

NUMBER OF BENEFICIARIES PER YEAR, NUMBER EXHAUSTING BENEFITS AND AVERAGE UNEMPLOYMENT, 1940 — 1953

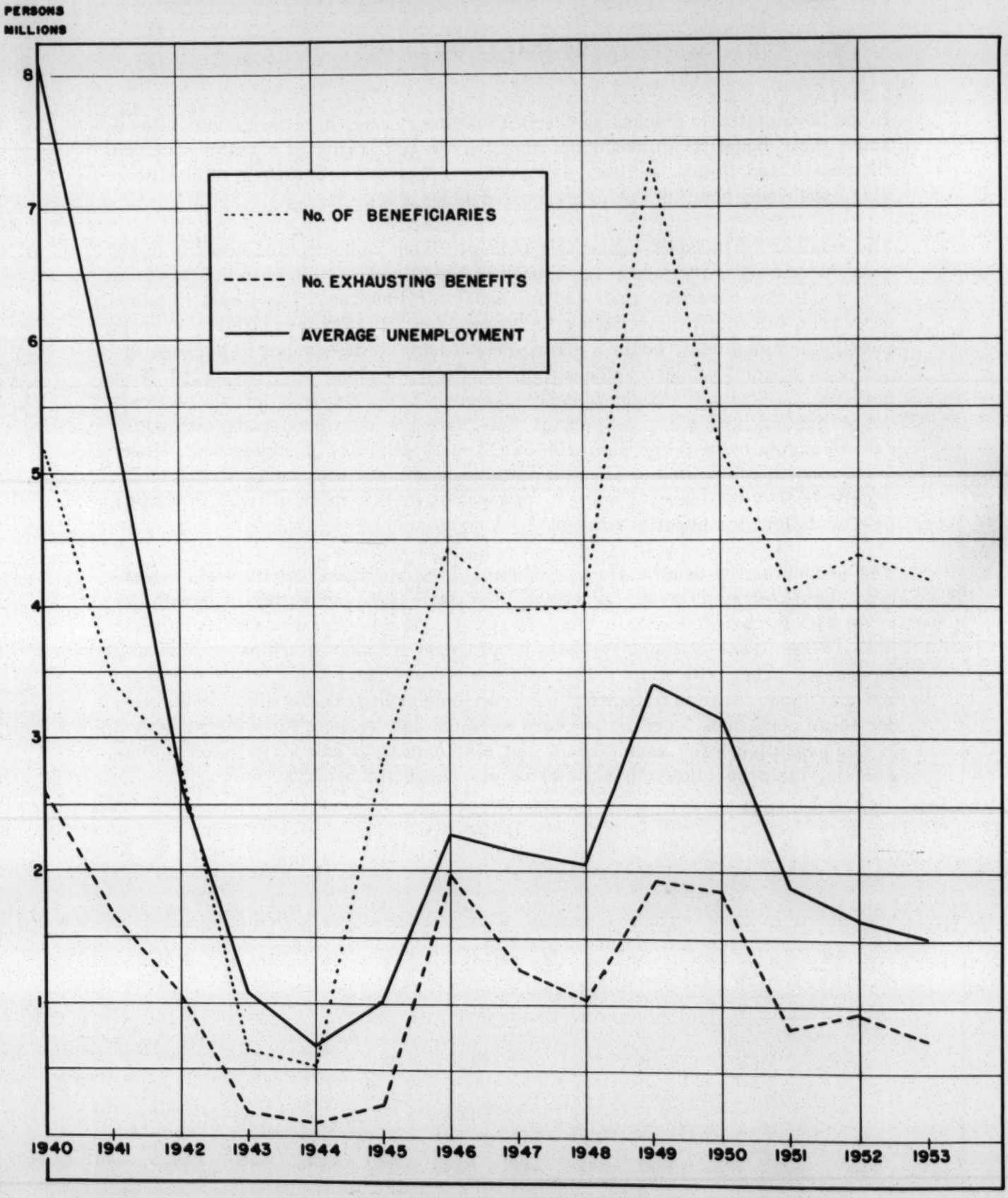


CHART 12

Source: Appendix Table VII

PER CENT OF BENEFICIARIES EXHAUSTING BENEFITS

1940 — 1953

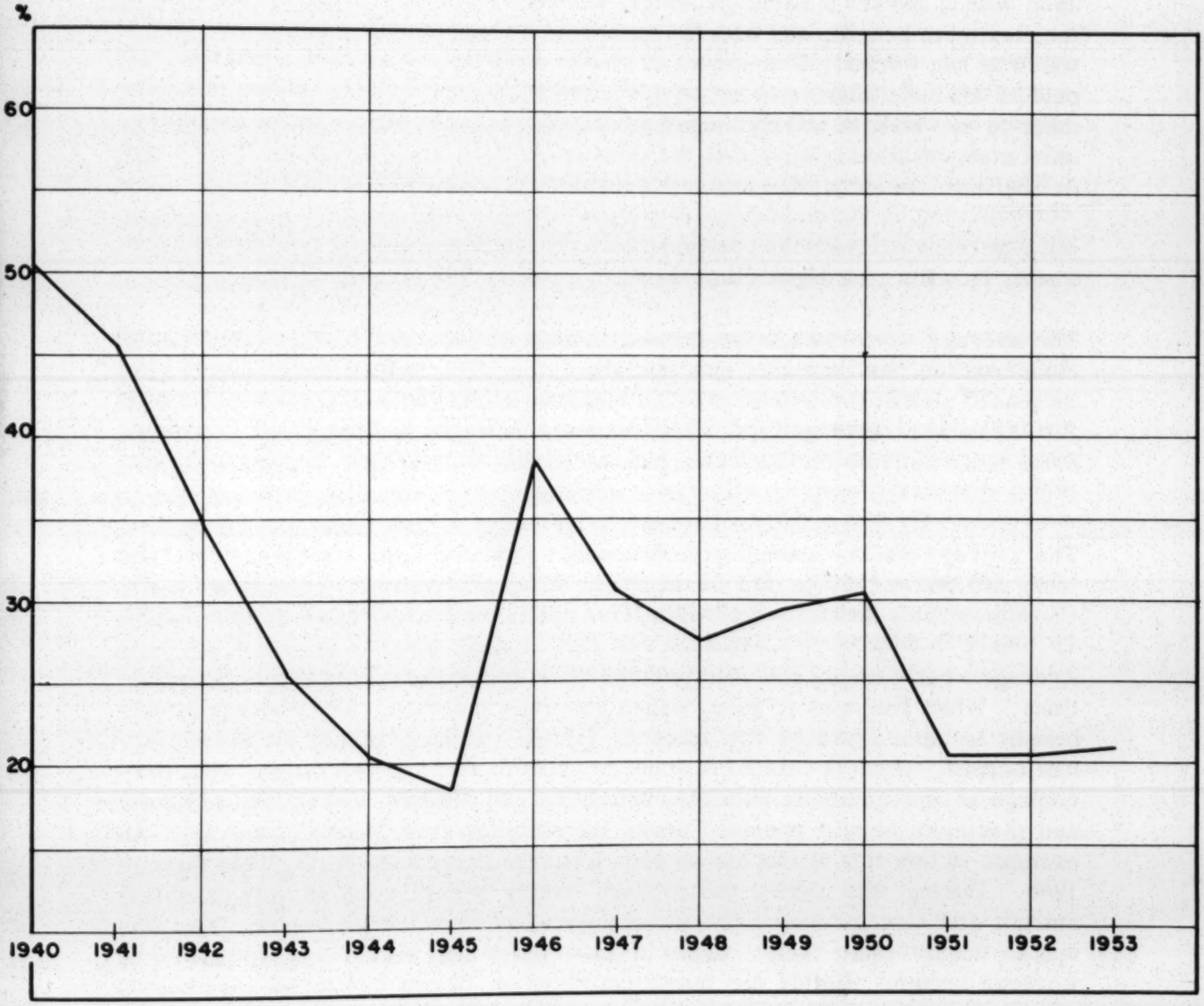


CHART 13

Source: Appendix Table VII

CHARTS 14-18

The weekly benefit a beneficiary receives under unemployment compensation is of paramount importance (to him). This amount will, of course, vary in accordance with a person's earnings which will entitle him to a certain proportion of the maximum benefit, and with the maximum amount provided for in the state in which he has worked. This series of charts presents the average weekly benefit paid to all beneficiaries in each year from 1939 through 1953, relates this payment to the rise in weekly wages among all workers covered under unemployment compensation laws, and to the Consumer Price Index, and shows the changes in minimum and maximum amounts provided for from 1939 to 1952.

As a percent of 1947-1949 dollars, both the average weekly wages and average weekly benefits rose higher than the C.P.I. from 1939 through 1953.

The average weekly wage for persons in employment covered by unemployment compensation has increased substantially since 1939. Actual dollar wages have increased almost three-fold, and this has been a "real dollar" increase of almost $20.00 in 1947-1949 dollars. The increase in wages and the rising Consumer Price Index reflects the increased prosperity the United States has enjoyed since 1939.

The average weekly unemployment benefits paid for total unemployment rose from $10.66 in 1939 to $23.58 in 1953. When the benefits are adjusted to the Consumer Price Index using 1947-1949 as 100, the increase is less than $3.00.

Average weekly wages are usually determined by the prevailing economic conditions. When business is good, wages generally increase. The average weekly benefit is determined by two factors: (1) the amount of money the beneficiary has earned, which is related to economic conditions, and determines what percentage of the maximum allowable benefit he will receive, and (2) the minimum and maximum benefit provided under the state law (see Charts 17 and 18). An example of how this works can be seen from the experience during 1944 through 1946. During this period the average weekly benefit rose sharply in actual amount and also increased as a percentage of average weekly wages. This was due to the following facts: wages in past years had been rising so that more workers became eligible for maximum benefits; during this three-year period average weekly wages rose very little; and the states increased the minimum and maximum amounts provided for under their unemployment compensation laws.

The differences between average weekly wages of covered employees and average weekly benefits from 1939 through 1953 are, perhaps, shown more clearly in Chart 15. This chart indicates that average weekly benefits were a smaller percentage of average weekly wages of covered workers in 1953 than in 1939. Average weekly benefits were 40.8 percent of average weekly wages in 1939 and 32.3 percent in 1953.

One of the main reasons why the ratio of average weekly benefit to average weekly wages has decreased from 1939 to 1953 is that the maximum weekly benefits provided by state laws have not kept pace with the increase in wages. There is some disagreement as to whether or not weekly benefits should be raised higher than they now are. It is argued that since the original intent of the program was to compensate a covered worker to approximately 50 percent of his average previous weekly wage while he is unemployed temporarily, the weekly benefits should be at least that amount, and preferably higher.

On the other hand, it is held that compensation in the amount of 50 percent or more of average weekly wages might deprive a beneficiary of sufficient incentive actively to seek a new job during the time he is receiving benefits. The argument runs that because the benefit is not taxable and because the beneficiary has reduced expenses for transportation, lunches, and other items, his spendable income from unemployment compensation is actually a higher percentage of his average weekly wage than it appears. The persons holding this view also state that the decrease in the proportion of average weekly wages compensated for is offset, somewhat, by the increase in taxes since 1939. They suggest the comparison not be made to gross wages but rather to the take-home pay, that is, after the deduction of OASI, Income Tax, and such other deductions as disability insurance, contributory employee benefit plans, etc.

AVERAGE WEEKLY BENEFIT FOR TOTAL UNEMPLOYMENT

AND AVERAGE WEEKLY TOTAL WAGE FOR COVERED WORKERS, 1939—1953

(UNADJUSTED AND ADJUSTED TO 1947—1949 DOLLARS)

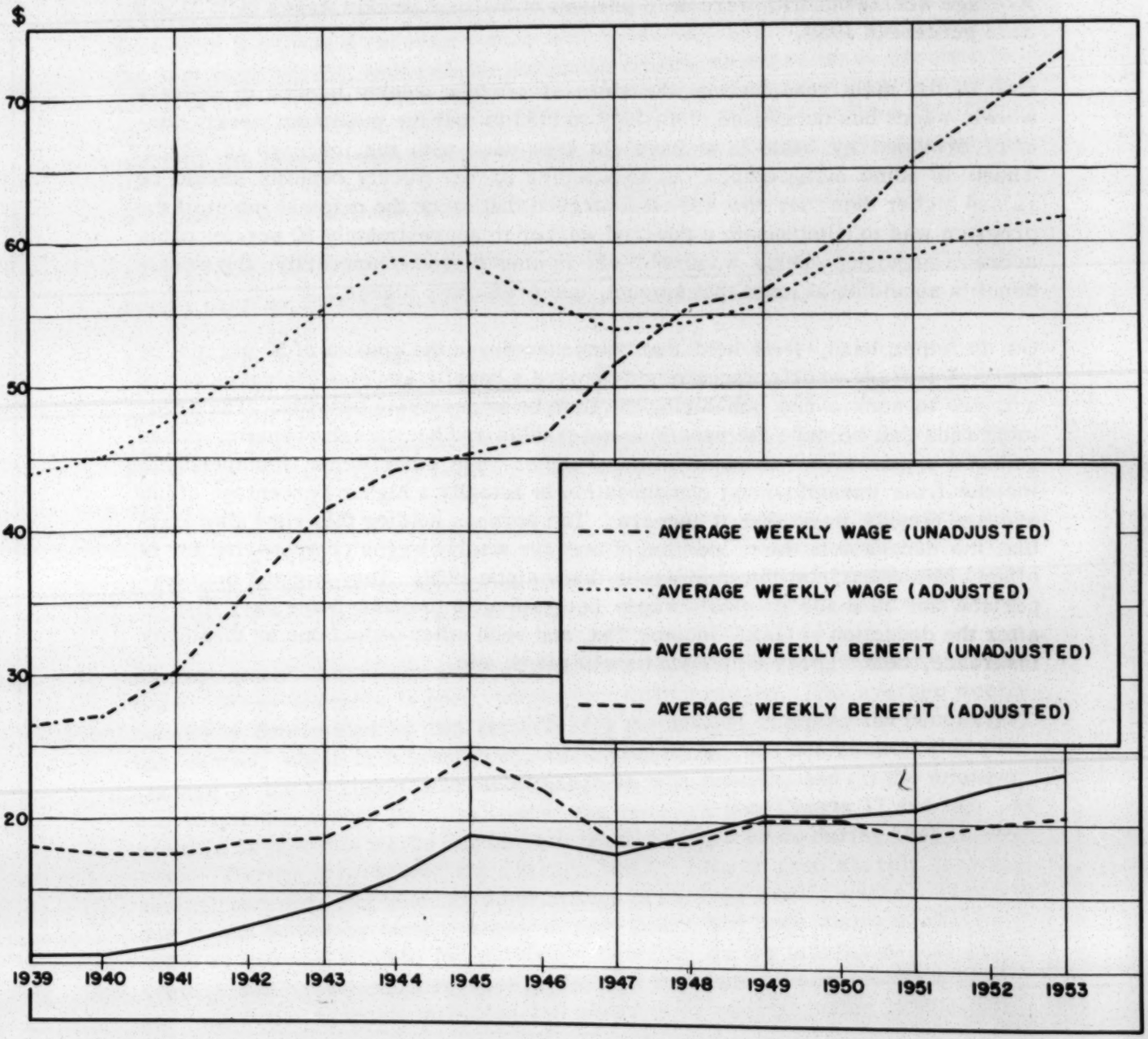


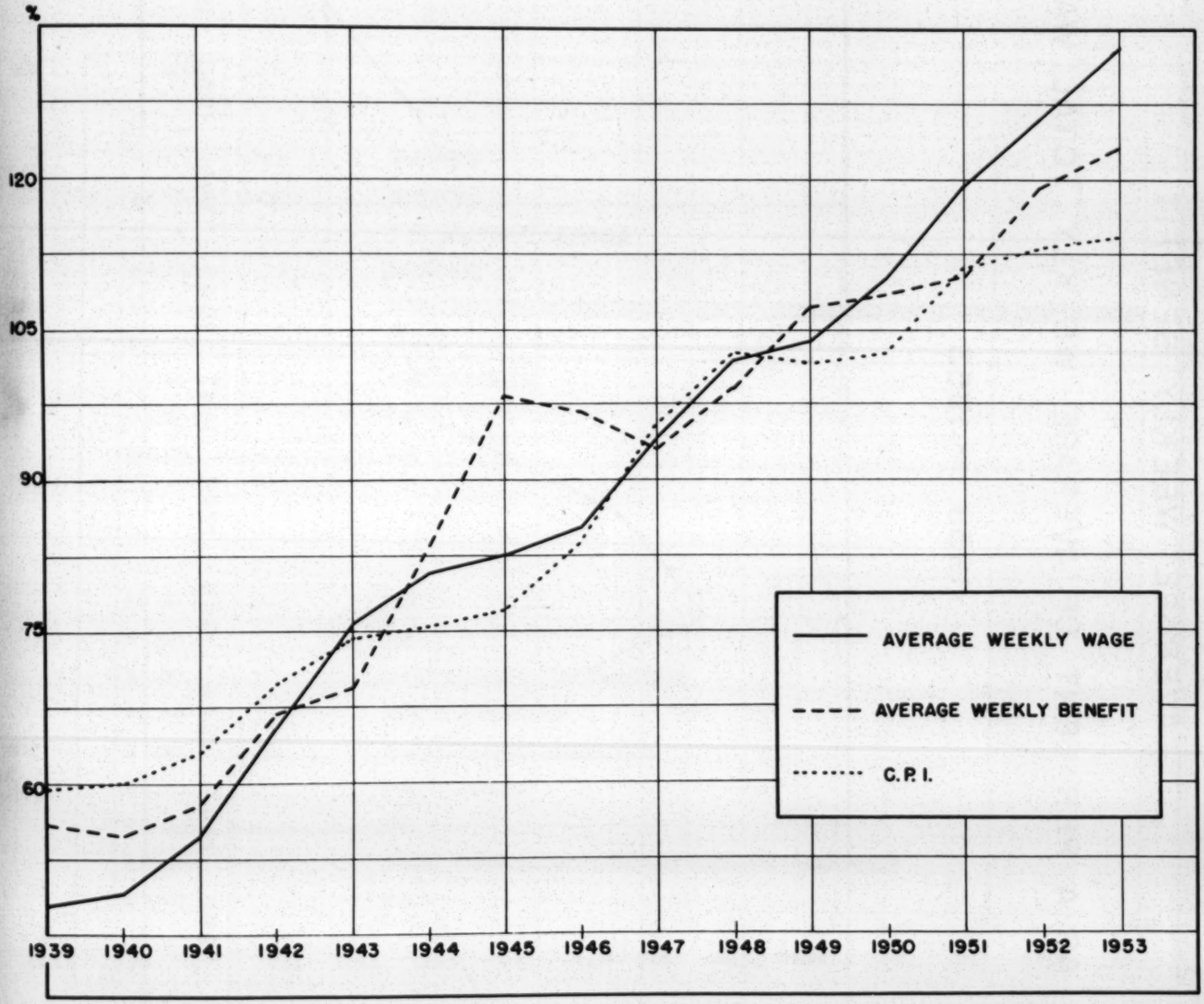
CHART 14

Source: Appendix Table VII

AVERAGE WEEKLY U.C. BENEFIT

AND AVERAGE WEEKLY WAGE IN COVERED EMPLOYMENT

COMPARED WITH THE CONSUMER PRICE INDEX[1]



[1] The indices for Average Weekly Benefit and Average Weekly Wage are computed from a base of 100 which is equal to the average of these figures for the years 1947-1949.

CHART 15

Source: Appendix Table VII

AVERAGE WEEKLY BENEFIT

AS A PER CENT OF AVERAGE WEEKLY TOTAL WAGE

1939 — 1953

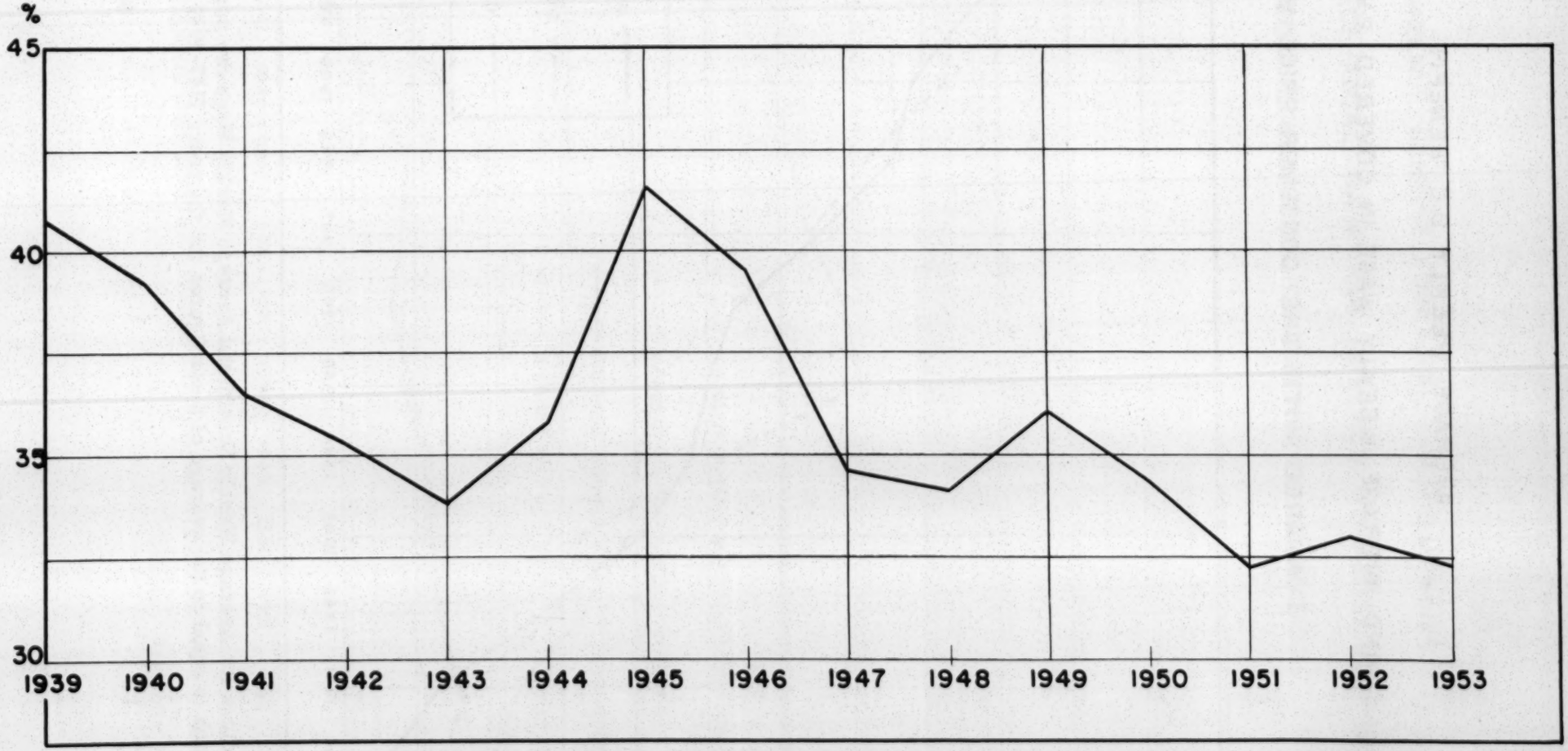


CHART 16

Source: Appendix Table VII

NUMBER OF STATES BY MINIMUM WEEKLY U.C. BENEFIT AMOUNT, 1939 & 1953'

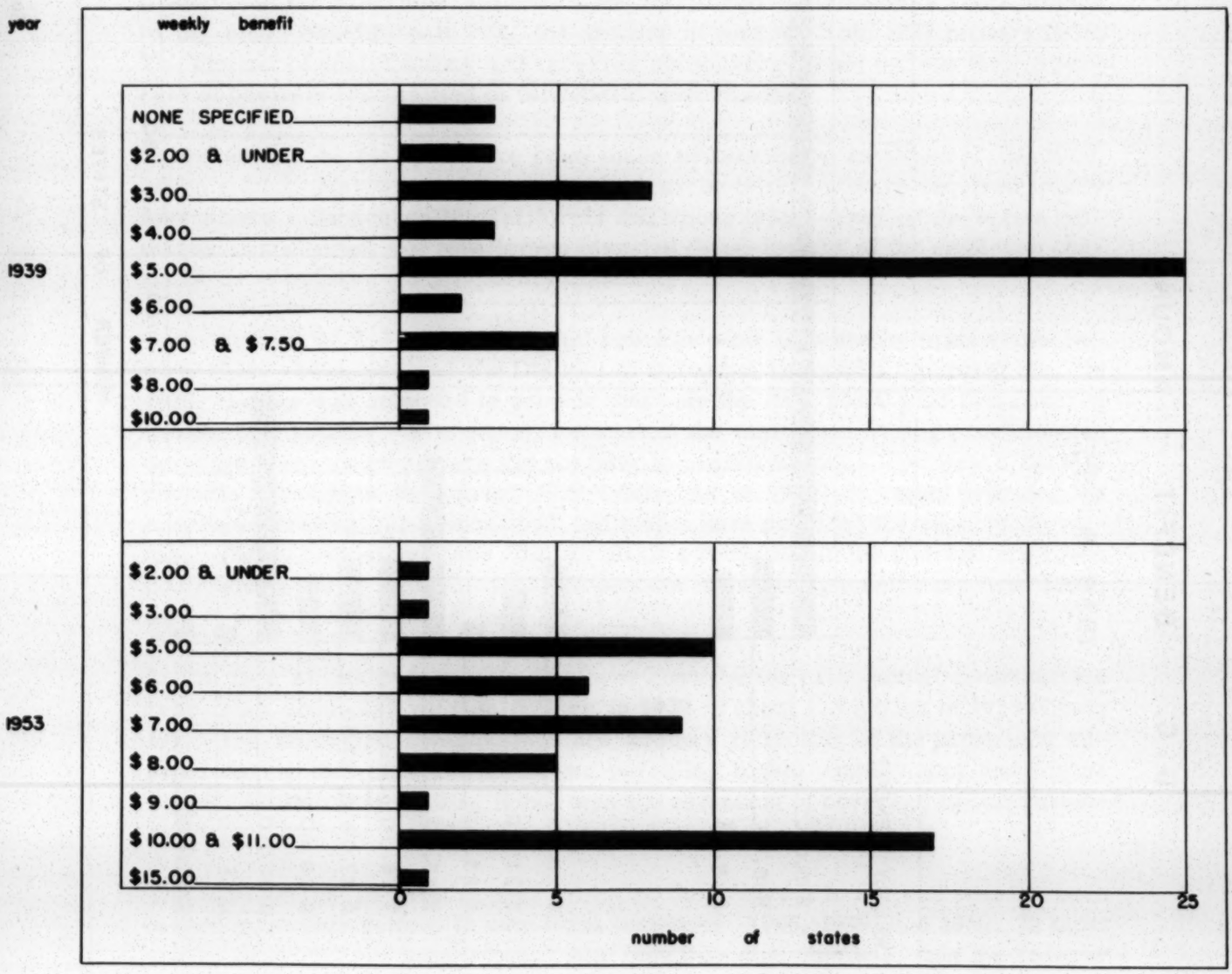


CHART 17

Source: Appendix Table III

NUMBER OF STATES BY MAXIMUM WEEKLY

U.C. BENEFIT AMOUNT

1939 & 1953

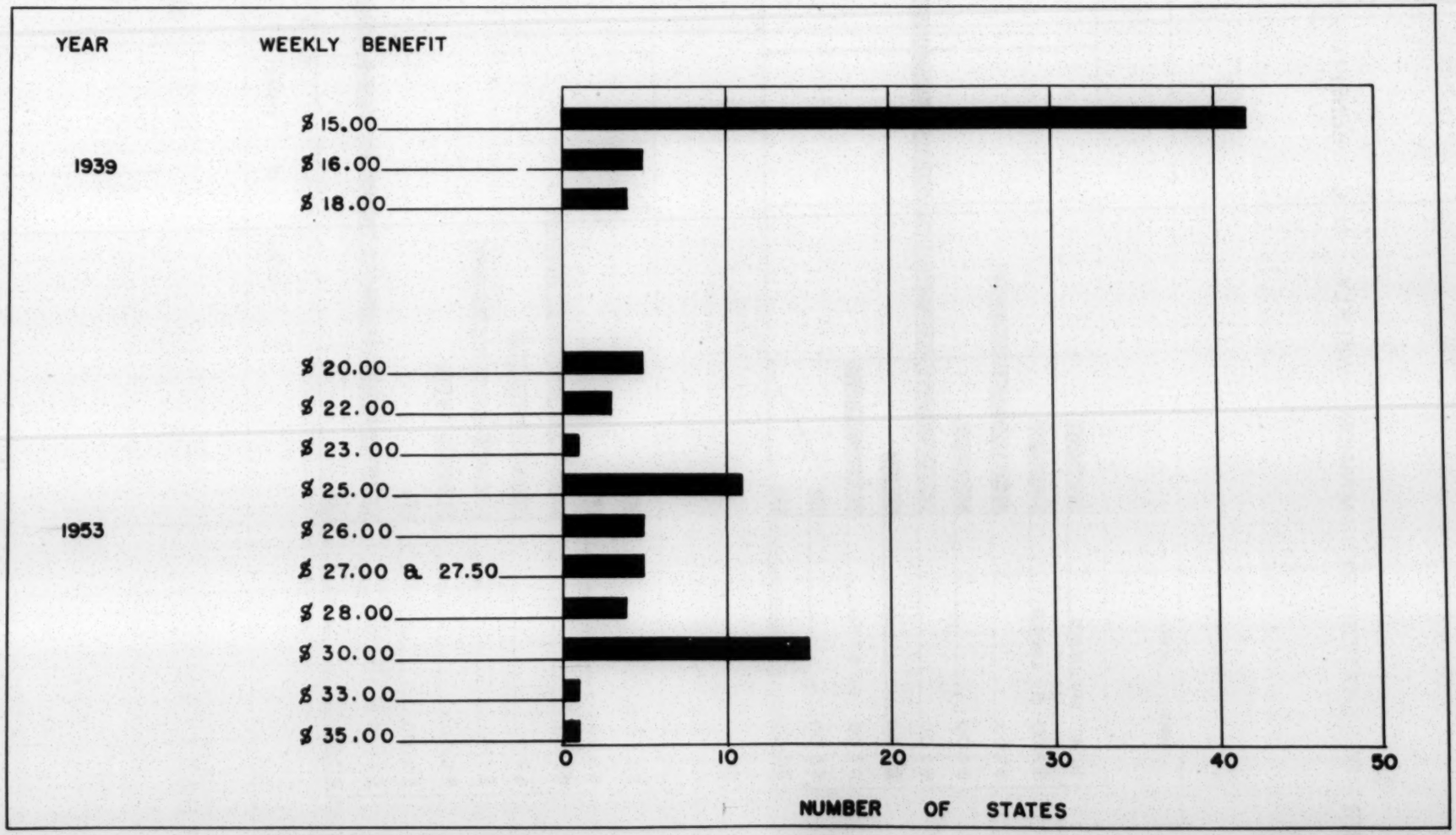


CHART 18

Source: Appendix Table IV

CHARTS 19 and 20

In the previous charts, covered employment, claimants, beneficiaries, and duration and amount of benefits under unemployment compensation have been shown and discussed. To complete the story we need at least a brief reference to the financing of the programs. Charts 19 and 20 indicate the amount of contributions to the fund, benefits paid out, the amount in reserve from 1939 through 1953. The amount of contributions and reserves shown here do not include the 0.3 percent of payrolls transmitted to the federal government.

Contributions to the fund have been made primarily by employers. In 1939, seven states required employee contributions; by 1946 they were required in only four states. Subsequently, California and Rhode Island diverted the entire employee contribution and New Jersey diverted three-fourths of the employee contribution to benefits for temporary disability.

Contributions of 2.7 percent of total payrolls were imposed by most states before 1939. Michigan and the District of Columbia imposed a 3 percent tax. In 1939, the law was amended to provide that only the first $3000 paid to a covered worker was taxable. In addition, because of the experience rating provisions in the state laws, all employers did not have to contribute the 2.7 percent of taxable payrolls throughout the period 1939-1953. As of 1939, 35 states provided for experience rating, and since 1948, all states have provided for experience rating. These provisions have brought about a reduction in the average employer contribution rate, in 1953, to 1.30 percent of taxable payroll--the first $3000 paid to a covered worker (Chart 20).

In the face of this reduction in employer contribution rate, actual contributions rose from about 825 million dollars in 1939 to about 1.3 billion in 1953 (Chart 19). The increased contributions are another reflection of the prosperity enjoyed during this period with larger payrolls, higher employment and higher wages. Another contributing factor was the extension of coverage to occupations previously excluded and firms employing fewer than eight persons.

The total amount of benefits paid out under the program in any one year has been larger than contributions in only three instances: 1946, 1949, and 1950. In most years, benefits have been substantially less than contributions, thus the reserve fund has increased sharply since 1939, from $1.5 billion to almost $9 billion in 1953.

There are a variety of views as to what the relationship between contributions and the reserve fund should be. Insurance actuaries point out that the program

cannot be termed "insurance" since the reserve fund is not large enough to take care of a serious emergency. They point out that in a serious economic setback contributions would fall off sharply and the amount paid out in benefits would rise sharply for an extended period of time. For example, in a recession year, 1949, there were a little over 7 million beneficiaries. If this figure were trebled, for two years there would be some 40 million beneficiaries. Average weekly benefits of $22.50 for 10 weeks to these 40 million would total 9 billion dollars, equivalent to the present reserve. The program has therefore been characterized as a pay-as-you-go plan with a contingency reserve.

Others feel that it should be a pay-as-you-go plan and that the reserves should not be too high. They argue that experience rating, which tends to keep reserves low in comparison to a flat contribution rate, is the employer's incentive to stabilize his employment, and a flat rate would eliminate the basic aim of the program. This argument goes on to state that a larger reserve would increase pressure for higher benefits when, in fact, higher benefits may not be necessary.

UNEMPLOYMENT COMPENSATION RESERVE,

CONTRIBUTIONS, AND BENEFITS

1939 — 1953

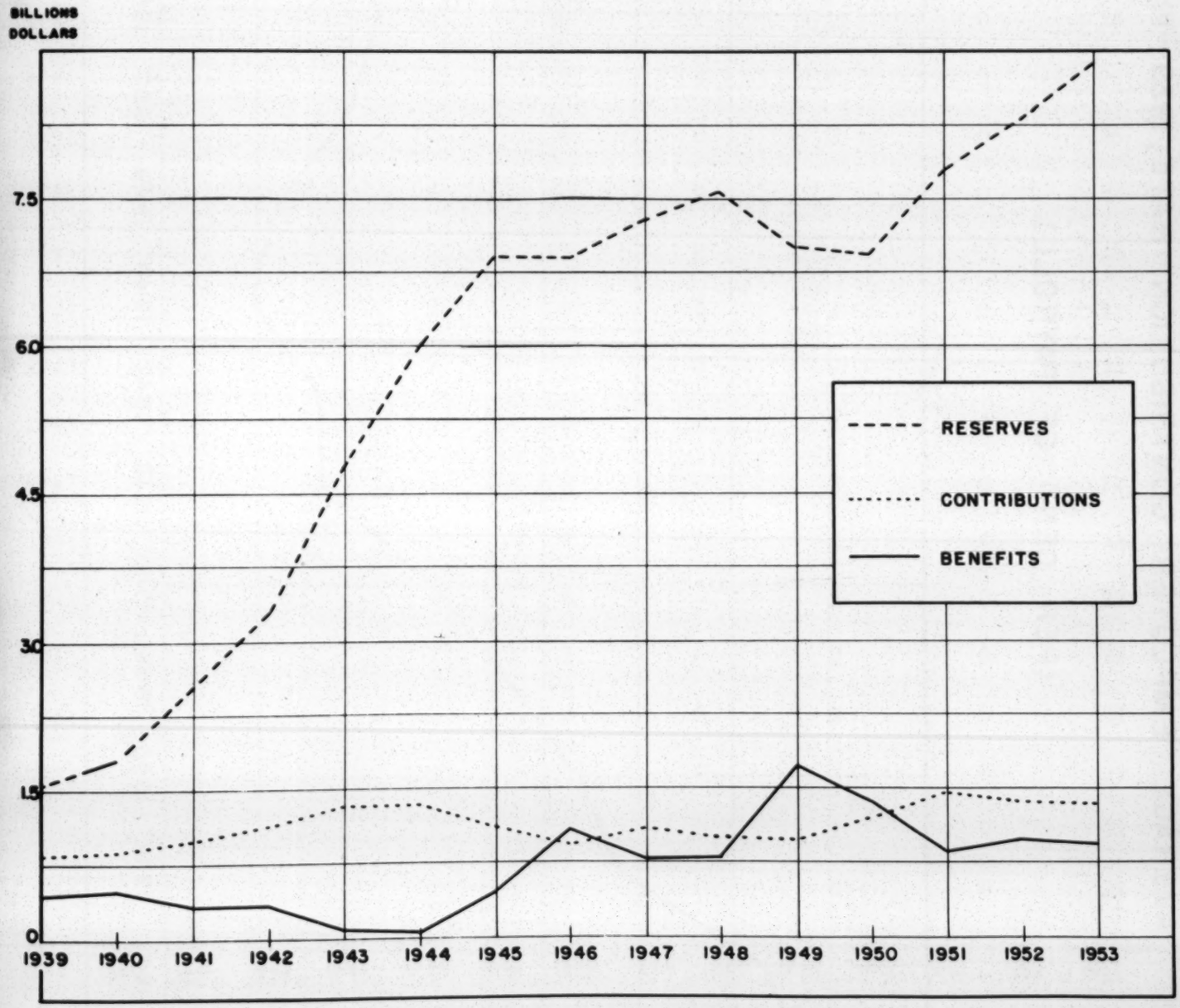


CHART 19

Source: Appendix Table VII

AVERAGE EMPLOYER CONTRIBUTION RATE, 1939—1953

(PER CENT OF PAYROLL)

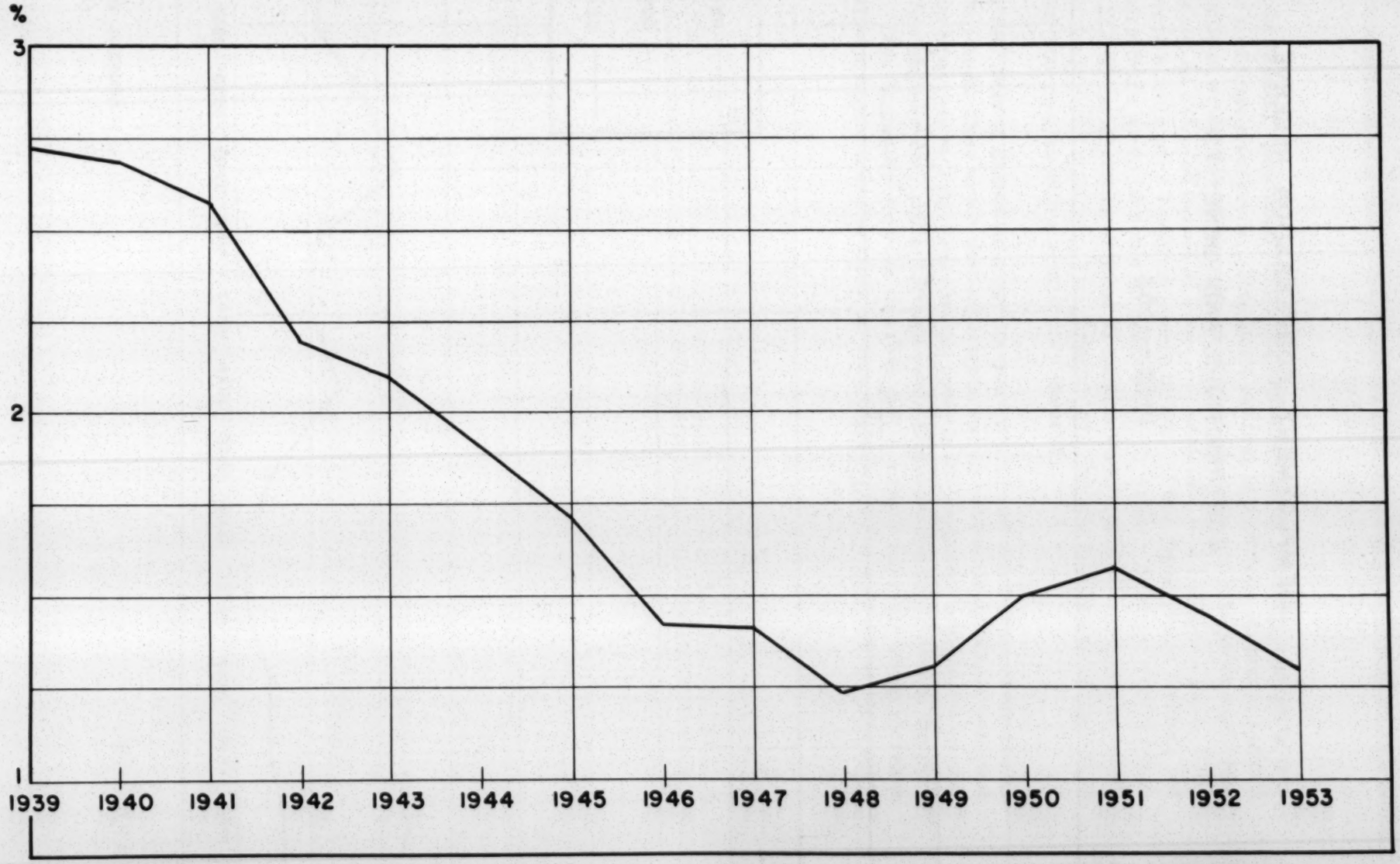


CHART 20

Source: Appendix Table VII

TABLE I. Number of State Laws Providing Unemployment Compensation for Specified Numbers of Workers in Establishments.

Year	Number of Workers							
	1	2	3	4	5	6	7	8
1937	10	0	2	7	1	0	0	29
1938	10	0	2	9	1	0	0	27
1939	10	0	2	10	1	0	0	26
1940	10	1	2	9	1	2	0	25
1941	12	1	2	9	0	2	0	25
1942	12	1	2	10	0	2	0	24
1943	13	1	2	9	0	2	0	24
1944	13	1	2	9	0	2	0	24
1945	16	1	2	7	0	2	0	23
1946	17	0	2	8	0	2	0	22
1947	17	0	2	8	0	2	0	22
1948	17	0	2	8	0	2	0	22
1949	17	0	2	8	0	2	0	22
1950	17	0	2	8	0	2	0	22
1951	17	0	2	8	0	2	0	22
1952	17	0	2	8	0	2	0	22
1953	17	0	2	8	0	2	0	22
1954	17	0	2	8	0	2	0	22

SOURCES: Wyatt and Wandel, The Social Security Act in Operation, Comparison of State Unemployment Insurance Laws, U. S. Department of Labor, and Significant Provisions of State Unemployment Insurance Laws, U. S. Department of Labor.

TABLE II

Number of State Laws Requiring Specified Minimum Earnings in a Base Period to Qualify for Benefits

Year	No. Eff. Min. Req.	Base Period Earnings (in dollars)							Length of empl. only
		100	100-149	150-199	200-249	250-299	300-349	350 plus	
1937	35	2	1	5	0	0	0	0	8
1938	34	5	2	4	1	0	0	0	5
1939	9	9	13	8	7	1	1	0	3
1940	6	10	13	11	7	1	1	0	2
1941	1	10	14	12	10	2	1	0	1
1942	1	8	17	11	10	2	1	0	1
1943	1	7	14	12	11	4	1	0	1
1944	1	7	13	13	11	4	1	0	1
1945	0	7	13	13	11	2	4	0	1
1946	0	7	11	14	12	2	4	0	1
1947	0	4	12	13	11	3	6	0	2
1948	0	3	12	14	10	4	7	0	1
1949	0	2	12	11	11	3	8	3	1
1950	0	2	10	14	11	3	8	3	0
1951	0	1	7	13	10	4	12	3	1
1952	0	1	6	12	11	4	11	5	1
1953	0	1	4	10	11	6	10	8	1
1954	0	1	1	9	13	7	11	8	1

SOURCES: Wyatt and Wandel, The Social Security Act in Operation, Comparison of State Unemployment Insurance Laws, U. S. Department of Labor, and Significant Provisions of State Unemployment Insurance Laws, U. S. Department of Labor.

TABLE III

Number of State Laws Providing Specified Minimum Weekly Benefit

Year	Weekly Benefit (in dollars) .50	1.50	2.00	3.00	4.00	5.00	6.00	6.75	7.00	7.50	8.00	9.00	10.00	11.00	12.00	13.00	14.00	15.00	None Specified
1939	0	1	2	8	3	25	2	0	4	1	1	0	1						3
1940[1]	0	1	2	10	2	18	5	0	4	1	0	0	1						1
1941[2]	0	0	2	7	3	19	8	0	8	1	0	0	2						
1942	0	0	2	6	3	20	8	0	7	0	1	0	4						
1943	0	0	1	5	3	19	7	1	8	0	2	0	5						
1944	1	0	2	5	2	20	7	1	8	0	1	0	4						
1945	1	0	0	3	5	19	7	1	4	0	4	1	5						
1946	1	0	0	3	4	18	7	1	5	0	5	1	6						
1947	1	0	0	2	4	16	9	0	5	0	6	1	7						
1948	1	0	0	1	3	17	9	1	5	0	6	1	7						
1949	1	0	0	1	2	12	11	0	8	0	5	2	8	0	0	0	0	1	
1950	1	0	0	1	1	14	10	0	7	0	6	1	9	0	0	0	0	1	
1951	1	0	0	1	0	11	6	0	11	0	7	1	12	0	0	0	0	1	
1952	1	0	0	1	0	10	7	0	11	0	7	1	12	0	0	0	0	1	
1953	1	0	0	1	0	10	6	0	9	0	5	1	16	1	0	0	0	1	
1954	1	0	0	1	0	10	4	0	9	0	5	1	18	1	0	0	0	1	

[1] Six states had flexible minimums

[2] One state had a flexible minimum

SOURCES: The Social Security Act in Operation, Comparison of State Unemployment Insurance Laws, U. S. Department of Labor, and Significant Provisions of State Unemployment Insurance Laws, U. S. Department of Labor.

TABLE IV

Number of State Laws Providing Specified Maximum Weekly Benefit

Year	Weekly Benefit (in dollars)																					
	15	16	17	17.50	18	20	21	22	22.75	23	24	25	26	27	27.50	28	30	31	33	35	36	37
1939	42	5	0	0	4																	
1940	41	5	0	0	5																	
1941	30	7	2	0	9	3																
1942	27	7	2	0	11	4																
1943	22	4	0	0	15	9	0	1														
1944	22	4	0	0	14	10	0	1														
1945	10	3	0	0	12	19	3	2														
1946	10	2	0	0	11	19	2	2	0	0	0	5										
1947	3	1	0	1	9	25	2	3	0	0	0	7										
1948	1	0	0	1	8	25	1	2	1	0	2	9	1									
1949	1	0	0	0	1	17	0	3	1	0	2	23	2									
1950	1	0	1	0	0	17	0	2	2	0	3	21	3	1								
1951	0	0	0	0	0	9	0	5	1	0	3	18	2	3	1	3	6					
1952	0	0	0	0	0	7	0	6	1	0	2	18	1	3	1	4	8					
1953	0	0	0	0	0	5	0	3	0	1	0	11	5	4	1	4	15	0	1	1	0	0
1954	0	0	0	0	0	5	0	2	0	1	1	10	5	3	1	4	17	0	1	1	0	0

SOURCE: Comparison of State Unemployment Insurance Laws, U. S. Department of Labor.

TABLE V. Number of State Laws Providing Specified Minimum Duration of Benefits.[1]

Year	Minimum Duration (in weeks)																						
	Less than 2	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	18	20	21	22	23	24	26
1939	3	9	3	7	1	3	3	6	1	6	0	0	1	2	0	2							
1940	3	6	3	5	2	4	4	5	1	7	0	0	1	3	0	7							
1941	1	3	3	4	1	6	7	5	2	5	0	0	1	2	0	8	1	2					
1942	1	3	3	3	1	5	8	5	1	5	0	0	0	2	0	8	1	5					
1943	0	3	2	2	2	7	8	3	2	5	1	1	0	1	0	8	3	3					
1944	0	3	2	2	2	7	9	2	2	5	1	1	0	1	0	7	3	4					
1945	0	1	2	1	2	8	7	2	2	6	1	3	0	1	0	5	1	6	1	0	1	0	1
1946	0	1	2	1	2	8	7	2	2	6	1	3	0	1	0	5	1	6	1	0	1	0	1
1947[2]	0	0	1	1	2	8	4	2	2	8	1	5	0	1	1	4	1	6	1	0	1	0	1
1948[2]	1	0	0	1	3	7	3	2	2	9	1	6	0	0	0	4	2	5	1	1	1	0	1
1949[2]	1	0	0	0	3	9	2	2	2	9	1	4	0	1	2	2	2	6	0	1	2	0	1
1950[2]	1	0	0	0	3	9	2	2	3	9	2	4	0	1	1	1	2	7	0	0	2	1	1
1951[2]	0	0	0	1	1	8	3	3	2	9	2	2	2	1	2	1	2	5	0	1	1	1	3
1952[2]	0	0	0	0	1	5	2	3	1	10	2	5	1	1	2	2	3	5	1	1	1	0	4
1953[2]	0	0	0	0	1	7	2	2	2	12	2	3	2	0	3	1	1	6	0	1	0	1	4
1954[2]	0	0	0	1	1	5	3	3	3	9	2	4	2	0	3	1	1	6	0	1	0	1	4

SOURCES: Comparison of State Unemployment Insurance Laws, U. S. Department of Labor, and Significant Provisions of State Unemployment Insurance Laws, U. S. Department of Labor.

[1] In many states there is a variable minimum because the formula allows shorter durations and higher benefits when wages are concentrated in one quarter or longer minimums for claimants with minimum qualifying wages and minimum weekly benefit. This table lists the lowest duration allowable under the laws. Because these formula changes have been introduced, it appears that there have been decreasing minimum durations since 1952.

[2] During these years Missouri is omitted since it had no specified minimum.

TABLE VI. Number of State Laws Providing Specified Maximum Duration of Benefits

Year	Maximum Duration (in weeks) 12	13	14	15	16	17	18	19	20	21	22	23	24	25	26-26-1/2	None Specified
1939	1	4	6	3	27	2	2	0	2	0	0	0	0	0	2	2
1940	1	4	6	2	29	1	1	1	5							1
1941	0	3	4	2	25	1	5	1	9							1
1942	0	1	4	2	27	1	4	1	9							2
1943	0	0	2	1	26	1	8	0	10	0	0	1				2
1944	0	0	2	1	25	1	7	0	13	0	0	2				0
1945	0	0	2	0	12	1	3	1	21	1	2	2	0	1	5	0
1946	0	0	2	0	10	1	4	0	22	1	2	3	0	1	5	0
1947	1	0	1	0	7	0	2	0	24	1	2	3	2	2	6	0
1948	1	0	0	0	7	0	3	0	23	1	4	2	2	1	7	0
1949	1	0	0	0	5	0	2	0	21	0	2	3	2	2	13	0
1950	1	0	0	0	4	0	2	0	22	0	1	3	3	2	13	0
1951	1	0	0	0	4	0	2	0	16	0	2	2	4	2	18	0
1952	0	0	0	0	4	0	2	0	17	0	2	2	3	2	19	0
1953	0	0	0	0	4	0	1	0	17	0	2	0	4	0	23	0
1954	0	0	0	0	4	0	1	0	16	0	2	0	4	0	24	0

SOURCES: Comparison of State Unemployment Insurance Laws, U. S. Department of Labor, and Significant Provisions of State Unemployment Insurance Laws, U. S. Department of Labor.

TABLE VII. Selected Population and Unemployment Compensation Data

	Total Population (000)	Civilian Labor Force (000)	Civilian Employed (average) (000)	Unemployed (average) (000)	Covered[1] Employment (average) (000)	Covered Civilian Employment (%)	Gross National Product (millions)	Gross National Product Adjusted to 1947-49 dollars (millions)	Consumer Price Index Based on 1947-49 dollars	Workers With Wage Credits (000)	Beneficiaries (first payments) (000)
1939	130,880	55,230	45,750	9,480	21,378	46.7	91,095	153,359	59.4	30,100	4,104
40	132,114	55,640	47,520	8,120	23,096	48.6	100,618	167,977	59.9	31,900	5,220
41	133,377	55,910	50,350	5,560	26,814	53.3	125,822	200,035	62.9	37,600	3,439
42	134,831	56,410	53,750	2,660	29,349	54.6	159,133	228,311	69.7	43,000	2,815
43	136,719	55,540	54,470	1,070	30,828	56.6	192,513	260,153	74.0	44,000	664
44	138,390	54,630	53,960	670	30,044	55.7	211,393	281,108	75.2	43,000	533
45	139,934	53,860	52,820	1,040	28,407	53.8	213,558	277,709	76.9	43,000	2,861
46	141,398	57,520	55,250	2,270	30,235	54.7	209,246	250,894	83.4	45,500	4,461
47	144,129	60,168	58,027	2,142	32,279	55.6	232,228	243,171	95.5	45,600	3,984
48	146,621	61,442	59,378	2,064	33,088	55.7	257,325	250,318	102.8	45,000	4,008
49	149,149	62,105	58,710	3,395	31,695	54.0	257,301	252,751	101.8	43,500	7,364
50	151,689	63,099	59,957	3,142	32,887	54.9	285,067	277,303	102.8	44,800	5,212
51	153,691	62,884	61,005	1,879	34,858	57.1	328,232	295,705	111.0	45,800	4,127
52	156,420	62,966	61,293	1,673	35,577	58.0	346,095	304,930	113.5	47,400	4,384
53	159,017	63,417	61,894	1,523	36,600	59.1	364,857	318,931	114.4	49,000	4,200

TABLE VII. Selected Population and Unemployment Compensation Data (Cont'd.)

	Average Weekly Number of Beneficiaries (000)	New Claims Filed (000)	New Claimants Becoming Beneficiaries (%)	New Claims Disallowed Because of Failure to Meet Insured Status (%)	Average Unemployed Receiving Benefits (%)	Number of Exhaustions (000)	Beneficiaries Exhausting Benefits (%) [2]	Average Weekly Total Wage for Covered Employment ($)	Average Weekly Benefit For Total Unemployment ($)	Average Weekly Total Wages In Covered Employment Adjusted to 1947-1949 Dollars
1939	799	(3)	(3)	18.5	8.4	3,108	(3)	26.15	10.66	44.02
40	982	(3)	(3)	16.9	12.1	2,590	50.6	27.02	10.56	45.11
41	621	(3)	(3)	17.7	11.2	1,544	45.6	30.23	11.06	48.06
42	541	(3)	(3)	15.9	20.4	1,078	34.9	35.91	12.66	51.52
43	115	1,240	51.8	13.4	10.8	194	25.5	41.25	13.84	55.74
44	79	1,051	50.1	9.9	11.8	102	20.2	44.25	15.90	58.84
45	465	4,862	58.9	8.7	44.7	245	18.1	45.11	18.77	58.66
46	1,150	6,988	63.8	12.9	50.7	1,986	38.7	46.69	18.50	55.98
47	852	6,159	64.7	14.9	39.8	1,272	30.7	51.59	17.83	54.02
48	821	6,585	60.9	14.9	39.8	1,028	27.5	55.85	19.03	54.33
49	1,666	10,789	68.3	13.1	49.1	1,935	29.1	56.95	20.48	55.94
50	1,305	7,684	67.8	14.6	41.5	1,853	30.5	60.31	20.76	58.67
51	797	6,535	63.2	13.5	42.4	811	20.4	65.50	21.09	59.01
52	874	6,630	66.1	13.7	52.2	931	20.3	69.09	22.79	60.87
53	815	6,900	60.9	14.3	54.2	764	20.8	72.98	23.58	63.79

TABLE VII. Selected Population and Unemployment Compensation Data (Cont'd.)

	Average Weekly Benefits For Total Unemployment Adjusted to 1947-1949 Dollars	Average Weekly Benefit to Total Wage (%)	Average Potential Duration of Benefits (weeks)	Average Actual Duration of Benefits (weeks)	Average Employer Contribution Rate (% of Payroll)	Contributions (000) ($)	Reserves (000) ($)
1939	17.95	40.8	(3)	(3)	2.72	824,879	1,527,797
40	17.63	39.1	(3)	9.8	2.69	853,832	1,817,108
41	17.58	36.6	(3)	9.4	2.58	1,006,327	2,524,460
42	18.16	35.3	(3)	10.0	2.19	1,139,331	3,387,887
43	18.70	33.6	(3)	9.0	2.09	1,325,421	4,715,514
44	21.14	35.9	(3)	7.7	1.92	1,317,050	6,071,927
45	24.41	41.6	(3)	8.5	1.71	1,161,884	6,914,009
46	22.18	39.6	19.8	13.4	1.43	911,835	6,860,043
47	18.67	34.6	19.5	11.1	1.41	1,095,520	7,303,283
48	18.51	34.1	21.1	10.7	1.24	999,635	7,602,964
49	20.12	36.0	21.4	11.8	1.31	986,905	7,009,586
50	20.19	34.4	21.1	13.0	1.50	1,191,438	6,972,295
51	19.00	32.2	21.4	10.1	1.58	1,492,509	7,782,048
52	20.08	33.0	22.0	10.5	1.45	1,367,675	8,327,560
53	20.61	32.3	22.1	10.1	1.30	1,347,630	8,900,000

[1] Excludes railroad workers.

[2] Excludes railroad workers and Indiana from 1940-1943 and Wisconsin and Wyoming from 1940-1945.

[3] Data not available.

SOURCES: Handbook of Unemployment Insurance, 1938-1951, Bureau of Employment Security;
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Selected Reading References

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A study of the administrative and judicial decisions that have been made to interpret the requirement in all of the state acts that unemployed workers may not draw benefits unless they are able to work and available for work.

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Alabama, Arizona, Arkansas, California, Colorado, Florida, Georgia, Idaho, Illinois, Kansas, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Mexico, North Carolina, North Dakota, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Utah, Virginia, Washington, West Virginia, Wyoming.

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83. Economic Aspects of Prolonged Illness: Proceedings, First Regional Meeting, 1951.
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STATEMENT OF GEORGE MEANY, PRESIDENT
AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS
BEFORE COMMITTEE ON WAYS AND MEANS
U. S. HOUSE OF REPRESENTATIVES
IN SUPPORT OF H.R. 3547
(FEDERAL UNEMPLOYMENT COMPENSATION STANDARDS BILL)
APRIL 10, 1959

First, I wish to express on behalf of the American Federation of Labor and Congress of Industrial Organizations our appreciation for the opportunity to be heard on vitally important legislation which this Committee has under consideration. The outcome of your current hearings will effect the well-being and the economic security not only of the 13 1/2 million members of unions affiliated with our Federation, but of every man and woman in this country who works for wages. Because their economic welfare is the very foundation of our national economic life, the improvements in the Federal-State unemployment insurance system contemplated in the measures before you which have been introduced by Congressmen Karsten and Machrowicz and six other members of this Committee, along with some 120 of your colleagues in the House, can make a significant contribution to the continued strength and stability of our country. Nothing can be more important in this time of world-wide unrest than maintaining this nation's leadership capabilities. The whole free world looks to this country.

We are here to review the needs of our system of unemployment insurance. It is not necessary for me to say that, while we consider this program an important part of our economic structure, we do not rely on it wholly as a means of preventing unemployment, nor, for the individual wage earner is it a satisfactory substitute for a steady job at good wages. Improvement in our unemployment insurance system is but a part, although a very important part, of the broad program for recovery and for maintenance of a high-level economy which the AFL-CIO is seeking to have enacted during this session of the Congress.

Your consideration of the needed improvements in unemployment protection is most timely.

This is true, first, because despite the series of glowing predictions of the imminent end of this "recession", unemployment as a pressing problem of major urgency is still with us. It has failed to heed admonitions just to disappear quietly from the scene. It cannot be brushed aside. The stark, hard statistics of its extent belie the efforts of the economic soothsayers. And to the individuals behind the statistics, it remains the crushing reality of hunger and despair.

According to the latest figure, there are 4 million, 360 thousand totally unemployed. In addition, nearly 2 and one-half (2.4) million are compelled to work part-time schedules. This represents an equivalent of 1.1 million more totally unemployed. Furthermore, there is a hidden unemployment of some 300,000 young people who would normally have entered the active labor market but who are now discouraged from looking for jobs because there are no jobs for them.

True unemployment therefore is now about 5.8 million or the equivalent of 7.6% of the labor force.

There is substantial unemployment in 74 of the nation's 149 major industrial areas and in 193 smaller industrial communities.

About 20% of the nation's productive capacity -- plants and machines -- is idle.

These hearings are timely not only because of the present emergency situation, but because they afford us an opportunity to review our experiences with this program in the light of twenty years of experience. I remember vividly the difficulties facing all of us when unemployment compensation was established in the 1930's. The defects in the program which we had to accept at that time in order to make a beginning, have come back to haunt us with an increasing persistency.

These Committee hearings provide us now with an opportunity not available 25 years ago. We now have long experience on which to base careful judgments. The last ten years have been a period for reviewing the performance of the system, for weighing alternative ideas, and for deciding what new underpinning is necessary.

The Congress has carefully studied the workings of unemployment compensation. In 1946, your Committee had prepared a staff report on "Issues in Social Security." In 1949, the U.S. Advisory Council on Social Security to the Senate Committee on Finance was established. In 1951, in 1954, and again last year, your Committee probed deeply into this same subject. Careful studies of the unemployment insurance system have been made by the Federal Advisory Council on Employment Security, on which labor representatives have been privileged to sit, by the Bureau of Employment Security of the U.S. Department of Labor, by private organizations such as the Rockefeller Brothers Study Commission, and by leading students of the American social security system. From all of these deliberations has come a wide area of agreement on the criteria for benefit adequacy and the steps necessary for permanent improvements in unemployment insurance.

The wide area of agreement achieved in studies of unemployment insurance found expression in 1954 when President Eisenhower first urged the states to improve their benefits so that the great majority of covered workers would receive at least half of their lost wage when unemployed and for at least 26 weeks when they are unable to find suitable employment in that length of time. This recommendation to the states signalled agreement in both political parties on the dimensions of unemployment insurance. The labor movement has been working year after year for an unemployment insurance program of at least similar proportions. When the fundamentals are so generally accepted, when the sights of so many are fixed on the same target, why is it that year after year we continue to fall short of the mark?

Just how far we still are from the goal has been brought home to everyone during the last two years. The first glaring inadequacy appears with respect to the number of unemployed who are denied protection under the system. About thirteen million persons from a fifth of all American families were unemployed at one time or another last year. Only eight million of these are able to establish eligibility for unemployment insurance.

The second measure of the inadequacy of our present unemployment insurance is in its failure to recover a sufficient portion of the wage loss -- in short, the low benefits.

When the head of a family receives a layoff slip, he tells his wife they must cut down on their spending. But the fact is that the unemployed can defer very little of their expenditures -- some clothing and entertainment costs, for example. They have to make some token payments at least if they are buying anything on time, or they face big losses. When you are making only three, or four, or five thousand dollars a year, you find very little cushion in your family budget. You can't put off paying for medical care, or housing, or food or the transportation necessary to look for employment. Even the telephone is a necessity if you want to stay on tap for job opportunities.

It hasn't always been this way, and here is the real tragedy in the downgrading of unemployment compensation over the years. In 1939, a worker making the average weekly wage in his state could be certain of getting half of his wage as a jobless benefit in every state in the United States. Today this same typical worker can get half his wage in only five states. Everywhere else he receives less than that proportion. In Texas and Oklahoma the maximum benefit amounts are $28 or only 36% of the average worker's wage in each of these states.

At times it is difficult to be patient with those who have never experienced unemployment and yet want to make a big point of the fact that half of gross wages is more than half of take-home pay today. They forget that a laid-off worker loses more than his pay check -- he loses paid holidays, vacation pay, pension credits. At the end of the first month, he loses his group medical and life insurance, or he picks up the premium himself at a higher individual rate. A benefit of half of one's wage is in fact less than half of his remuneration as an employee.

Benefit amounts last year did not even come close to paying those bills that couldn't be postponed. For the eight million unemployed last year who were fortunate enough to meet the requirements for drawing benefits, the average was $31 a week, or only about a third of their lost earnings.

We are asking for benefits of one-half of lost earnings, not one-third. For the typical union member making $90 a week, this is the difference between $30 and $45. I don't think we are asking for much but I want to say with all the conviction that I have that this is the difference between a compensation system that is doing the job and one that is a mere detour on the road to relief. Last year a laid-off steelworker in Pennsylvania got a benefit of 32% of his wage. An aircraft worker in Georgia got 30%. A bricklayer in Minnesota got 24% of his wage.

At every session of each state legislature, our AFL-CIO affiliates work to raise the dollar ceiling or maximum benefit amount. But in altogether too many state legislatures, unemployment insurance has come to be called a $2 law. We are able to obtain an increase of $2 or $4 in the maximum sometimes in two and more generally every four years, usually at the price of higher eligibility requirements and stiffer disqualification penalties. This failure to raise the ceilings with the rise in wages has completely changed the character of unemployment insurance and more and more laid-off workers are limited by the state maximum to less than half of their wage. In the typical state in 1939, the maximum benefit amount was 65% of the state's average weekly wage and today it is only 44%. For the majority of the insured unemployed, their benefits now are fixed by the maximums at a flat benefit level more like public assistance and relief than like the wage replacement insurance originally intended.

A third inadequacy of the present system is in the early termination of benefit rights for those still unemployed -- short duration.

There are some who will appear before your Committee to argue that there is no need for any action at this time. They will dramatize the gains in unemployment insurance by pointing, for example, to the fact that the maximum number of weeks now allowed is substantially greater than it once was. This, of course, is true in the absolute sense. But we will not be confused. We know and I am sure that this Committee knows that not all or even the larger number of workers establish their rights to 26 weeks in state laws which have variable duration.

Only the higher paid workers draw these so-called maximum durations. Here too there has been a subversion from the original intent of the founders of our unemployment insurance system. State laws once insured all beneficiaries for up to 16 weeks on the theory that both low and high wage earners all were entitled to the same outside or potential time period in which to find re-employment. But today 33 states allow many unemployed workers less than 16 weeks on the theory that they don't deserve any longer because their past earnings don't justify it. Variable duration, as this is called, undermines the insurance principle by focusing attention on one's wage record rather than on the contingency of unemployment, somewhat like reducing a man's life insurance benefit because he died before his premiums added up to the face value of the policy. In only eight states today do all claimants qualify for a minimum potential duration of 26 weeks, the standard recommended by the Social Security Administration for many years and by the President since 1954.

Again the question arises -- why are we falling short of the mark?

Back of all these questions of the amount of the benefits to be paid and for how long they should be paid lies the basic question which only the Congress can decide. That is the question of where federal responsibility starts and where it ends in order that this nation can stop the long downhill slide that has characterized our unemployment compensation system through most of the past 20 years. As a nation we are paying too great a price for the absence of standards in unemployment insurance. We have continually postponed the hard decision-making.

Let me summarize briefly the effect of the successive rejections of benefit standards on wages and salary earners this last year.

First, as is indicated above, a third of the thirteen million people in the country unemployed at one time or another did not receive unemployment compensation benefits. Almost three million, or two out of every five eligible to draw benefits, exhausted the number of weeks of their entitlement before finding a job. Less than one-fourth of total wages lost were replaced by compensation benefits. One-fifth of the families affected lost at least $2,000 in income. Public assistance rolls have skyrocketed: In Michigan, 30,000 families last year went on relief specifically because of the shortcomings in unemployment compensation benefits; Minnesota had the largest relief case load since 1942; New Jersey relief rolls were up 50% over a year ago; and in Kentucky, county general assistance funds ran out leaving thousands of families destitute.

If the proposed coverage and benefit provisions had been in effect last year, then another $1.5 to $2 billion would have been paid to the unemployed. When this was spent and spent again by the grocer and the landlord, and again and again, it would have added during the year several billion dollars more in effective demand for goods and services which would have helped to produce a much faster recovery from this recession.

The enactment of the Temporary Unemployment Compensation Act last year, and its partial extension for another three months this year were themselves, of course, a recognition on the part of the Congress of a degree of federal responsibility in this area. We do not underestimate the value to the unemployed of the benefits paid out under this program, though we were distressed that only twenty-two states saw fit to extend their duration in response to the impetus it provided.

Without dwelling here on the basic limitations of temporary, emergency action of this kind, we should like to bring to your attention certain inherent dangers to the system that can result from sole reliance on it.

First, there is the danger that the states will take it as an indication that there is no real need for them to take action, as the federal government stands ready to bail them out of any difficulties occasioned by the inadequacies of their state unemployment insurance laws which may arise in any future recession.

Secondly, reliance on emergency action by the federal government can obviate one of the main advantages of an unemployment insurance system, namely, its ability to get benefit payments into the hands of the unemployed quickly at the very onset of a downward move of the economy. It is in the nature of things that special

Congressional action supplementing state unemployment compensation benefits in a national emergency does not come quickly enough in the downswing of the business slump. An adequate unemployment insurance system on the other hand will adjust itself immediately and automatically, at the earliest stages of the downswing, to the needs of laid-off workers.

While Congress recognized a federal responsibility in unemployment compensation last year, it did not enact a federal standards bill to give leadership and support needed by the states for a progressive evolution of their laws. From the experience of our state AFL-CIO affiliates, which year after year have worked for better unemployment compensation, we are convinced that the states need help. There are three basic reasons why they cannot do the job unaided and why a responsibility rests with Congress.

First of all, we are forcibly impressed by the fact that the state benefit provisions are geared to insufficient financing arrangements instead of financed to provide an adequate level of benefits. That is, the contingency is adjusted to meet the cost instead of adjusting the cost to meet the contingency. Second, separate state programs financed entirely apart from one another leave the whole system vulnerable to the unequal incidence of unemployment. This raises the specter of insolvency and discourages in each state the liberalization of benefits. Third, competition among the states for industry leaves them susceptible to employer threats that higher benefits and higher tax rates will jeopardize the state's industrial future.

If the employer tax contributions to unemployment insurance had been fixed at a flat 3%, the income would have financed a program far broader than even the one now proposed. We do not believe a level rate nearly as high as 3% as set forth in the original act would be necessary to finance an adequate system. The relatively low amount of unemployment in the war and post war years would have enabled the system to acquire substantial reserve funds at a lower rate. However, because of the lack of any floor under the contribution rate, encouragement was given to those whose sole objective was to drive down their tax rate at whatever cost in terms of the basic objectives of the program. The result of this effort has been to drive the average tax rate from 2.7% of the taxable payroll in 1938 to .9% of present day payrolls.

Translated in terms of cents per hour worked, unemployment compensation taxes have declined from 4¢ per employee hour worked in 1939, to 1.3¢ per hour worked in 1958. In many industries, unemployment insurance costs less than Christmas bonuses and suggestions awards.

The proposed bill will not eliminate employer experience rating and we do not want at this time to fight the old battles that surround this subject. While some states have developed experience rating plans that do not goad employers into contesting every employee claim, the "employer-fault" idea in experience rating is still as false as the day it was born, but we do not wish to dwell on this point as it is not relevant to the proposals now before this Committee. We are more interested in seeing that the states have the latitude that they need to develop sound financing methods; the proposed bill does not eliminate "experience rating;" it simply does not make it compulsory.

A problem more fundamental even than experience rating is the fact that the present system of financing unemployment insurance has contributed to making it much less effective in serving a broad public interest. The drive for lower tax rates brings about pressure for legislative enactments that use every conceivable and capricious device to avoid payment of benefits. This undermines the fundamental purpose of the law as declared by the Supreme Court in the Carmichael case to be "the public purpose of relieving unemployment."

Let me illustrate the kind of situations that these legislative pressures combined with employer policing of claims have brought about. One worker complained about his employer in a drug store; when the word got back, he lost his job and was then disqualified from benefits as "discharged for misconduct." In all but two or three states, a man looking for work who breaks his arm is disqualified as "unavailable for work" even though there is no work for him to turn down. A number of states disqualify for the entire duration of unemployment, which in effect is punishment for economic circumstances rather than for the disqualifying act. In Michigan, a woman confided to her employer that she was pregnant, but assured him she would be around for five or six months. That afternoon, she was discharged and then disqualified from compensation benefits on the grounds that pregnancy caused her unemployment.

In one state, Ohio, employers have specially organized the business of challenging the workers' rights to benefits. Employers hire outside "service" firms to contest all claims. These firms charge a fee based on their success in defeating employee appeals.

While it is true that situations like these have transformed some unemployment compensation laws into little labor relations acts dealing with standards of conduct applicable to the worker in his relations to his employer, and while it is true that experience rating provides the incentive for this, I want to reiterate again that the problem is greater than just which method of financing is superior. The basic problem is that so long as the standards of benefits are not specified, the benefit amount and duration and all the criteria of eligibility and disqualification are tailored to fit insufficient financing. Low cost financing has become the over-riding objective.

The proposed Federal Unemployment Compensation Standards Bill will put a brake on the tax incentives that are encouraging employers to carve up state laws. First, by establishing benefit standards, the Bill gives each state a definite objective for its financial decisions. Tax rates can be adjusted to the cost of benefits, instead of the other way around. No longer will we have to listen to the arguments that drone on with different words always to the same tune: in good times, employers argue that improvements aren't necessary and in bad times, they argue that they cost too much. The long run costs of these benefit standards have been estimated by the technicians of the Bureau of Employment Security as 50% more than the cost of the present program, which means that for 2¢ per employee hour worked -- only half the original cost -- we could have a decent system of unemployment insurance.

In the second place, the Bill would aid the states toward better financing by allowing them to choose, if they wish, an alternative to experience rating. They would have an option -- either experience rating or flat rate reduction for all employers. We hope those employers who feel so ardently about "states rights" will support this proposal to give states more latitude in their decision making than is permitted them under the rigid requirements of the present act.

When unemployment compensation taxes begin to reach the disappearing point, other states become concerned about competition for new industry. They become easy prey for those who argue that it is time to put unemployment compensation on the sacrificial altar. For years we have seen these representatives of national corporations and employer groups whipsaw the states one against the other with the result that ultimately threatens the very existence of this potentially beneficent system for protecting the unemployed.

Let me cite you a few examples of how some employer representatives have used the interstate competition argument to oppose improvements. First, from the Manufacturers' Association of Connecticut: "Our state is competing today for more plants and new industries. To hike the cost of doing business in Connecticut is not the road to more jobs, but to less jobs." In Kentucky, the General Electric Company wrote all state legislators last year in this vein: "No other southern states -- except Arkansas and Alabama -- have seen fit to extend benefits. These southern states represent our major competition for the new jobs of expanding business and industry."

In Ohio in 1958, Mr. Herschel C. Atkinson, Executive Vice President of the Ohio Chamber of Commerce, wrote what he called "A Political Primer for Businessmen" following labor's fight to improve unemployment compensation. He says that it "could have been foretold that a central issue would be whether the proposal would put Ohio at a competitive disadvantage with other industrial states," and he describes how business organized to tell this story "in a hundred different forms, until the idea was thoroughly saturated in the minds of Ohioans no matter what their station. ... Newspapers and legislators are thoroughly alert to the argument."

No state, big or small, has been spared this treatment when unemployment compensation was the issue, even the District of Columbia. I note, for example, that Mr. Frank A. Gunther speaking for the Washington Board of Trade, argued before the Senate District of Columbia Committee last year that "The comparability of the laws in the District of Columbia, Maryland and Virginia has been increasingly important and will become more so now that more of the people of greater Washington live in contiguous areas of these adjoining states and now that many employing enterprises are moving out of the District of Columbia as costs and conditions become more palatable outside the Federal City."

It is not difficult to evaluate the political effectiveness of these arguments. It is somewhat more difficult to evaluate whether variations in unemployment compensation tax rates as between states are an important factor in the location of industry. We suspect, however, that in most cases the specter of interstate competition for industrial development is raised for the political purpose of preventing benefits and cost increases in unemployment compensation, whether or not these cost charges would, in fact, affect the location or relocation of industry. Whether it is a real threat or an "imaginary horrible," the interstate competition argument has been cited by the Governors of several states as a major obstacle to raising benefits, and along with us, they are urging federal standards to place the states, in the words of the Supreme Court, "on a level of equal competitive advantage."

A federal floor to benefits will not, of course, remove all the cost differential that now exists between the state programs. It will remove that part due to the difference in benefit levels. That this is substantial can be seen by contrasting the extremes. On the one hand are some states with maximum basic weekly benefit amounts over $40 and on the other, are those with benefits under $30; there are states that

entitle every claimant to a potential duration of 26 or even 30 weeks, and there are others that cut some claimants off after five or six weeks. In some states, the average employer tax rate is only one-seventh of that in other states. Minimum benefit standards would eliminate that part of the differential due to the wide variation in benefits, and to that extent would remove the existing interstate tax incentives for low benefits and short duration.

The rest of the differential in cost is due to the fact that the incidence of business slumps is unequal in its effect on employment. Recession is caused by nationwide economic forces, but each state is now asked to finance fully all payments to its own unemployed. State reserves are isolated from one another with no pooling of risk, leaving each state's fund unsupported during a slump in its major economic activities, except for limited provisions for borrowing. Last year, six of the state systems almost went broke (two had to borrow from the federal loan fund and two others now want to) while the others ended 1958 with combined reserves of $7 billion.

This completely independent state-by-state financing requires higher reserves and lower benefit amounts than would otherwise be necessary. This, in turn, produces one of the major resistances to liberalization of benefits, the fear of insolvency. It also magnifies the cost differential as between states even though in no sense can employers in a given state with a high rate of benefit claims be called responsible for its unemployment.

The Federal Unemployment Compensation Bill would remedy this situation by providing a system of re-insurance which would backstop any states faced by an emergency of continuous heavy payments. This alleviates the dangers of separate state financing, removes the financial objection to higher benefit amounts, and further diminishes the cost differential between states.

One misconception about this re-insurance system should be clarified. It is a misconception which is being used by the opponents of this bill in an attempt to discredit it. They argue that it will cause the better financed states to take on the burden of those states that are broke. This is not the case at all, because the fund from which the re-insurance grants would be paid is to be built up from that part of the unemployment compensation tax that accrues to the federal government, the .3% against which there is no state offset. A part of that federal money now goes to pay the administrative costs and the re-insurance fund, like the Federal Loan Fund now in operation, would accumulate from the difference between the income of this tax and the administrative costs. There would be no drain on the accumulated reserves of any state unemployment compensation fund. Furthermore, to be eligible for a re-insurance grant, a state would have to have a certain specified minimum adequate financing, as well as a high rate of benefit payments.

Beneath all the apparent complexity of the problem confronting the Congress in this area, there emerge certain clear propositions which I should like to present by way of summary:

1. There is general agreement that states should meet certain defined goals of adequacy. The differences arise with respect to how they are to meet them. It is our view that it is not feasible for them to attempt to meet the agreed goals by independent action, and we submit that the record of failure to date supports that conclusion.

2. Exhortations to the states, even from the highest levels of government are of no avail. The President has recently stated his hopes that the states this year will achieve the desired objectives, but is this not again a pious sentiment supported neither by past experience nor by the record of legislative enactment to date? Twelve states have enacted improvements so far this year but not a single one attains the two benefit objectives, and in each instance small benefit gains are accompanied by greater restrictions in other parts of the laws. Four state legislatures have finished their 1959 session with no improvements, including one state where the Governor vetoed small increases. This is no time for rhetoric. It is a time for appraisal and decision.

3. While we have what is known as a Federal-State system of unemployment insurance, the present law is not clear as to the areas of responsibility between the federal government and the states. This lends itself to playing one center of responsibility against another by those who oppose improvements and who are more concerned with tax rates than with the social and economic objectives of an unemployment insurance system.

Here are two examples of how this is done:

Last year, a representative of one of our major manufacturing companies told the Senate Finance Committee that Congress did not need to take action because the states, "can, should, and would do something," and he further stated that his company was in favor of doing something. A few weeks later, another representative of this same company wrote all members of the state legislature in Kentucky that they should not hold a special session on unemployment compensation benefits and that his company was opposed to any extension of duration.

The second example occurred just a year ago when the members of your Committee were treated to an analysis of the local character of unemployment by Mr. Norris W. Ford, Executive Vice President of the Manufacturers' Association of Connecticut. According to Mr. Ford, "The problem of unemployment is essentially a matter which must be handled on a local basis. The economies of no two states are alike. ... We feel confident that Connecticut is well able to finance any unemployment or any welfare that is needed in the State of Connecticut." Mr. Ford, while testifying here, probably forgot that a few weeks earlier he had argued against legislative action in Connecticut because of the national character of unemployment. These are his words to the Connecticut Development Commission, "The present period of business readjustment is not confined to Connecticut. It is nationwide. ... State governments should not be expected to enact special legislation every time the national economy fluctuates. ... There is no emergency that would be remedied by a special session of the General Assembly at this time."

4. Within the Federal-State system now in effect there is a rigid federal standard, imposing on the states a system of financing which moves state taxes for unemployment compensation into the competitive area. This system operates in a manner to provide substantial financial rewards to taxed employers within a state having low benefits, short duration and provisions excluding unemployed workers from the protection of the program. In the absence of standards which set a floor under benefits, the operation of the financing standard provides the driving force to reduce benefits and shorten duration. In short, much of the present difficulty arises from this basic inconsistency in the present law -- a rigid standard on method of financing; complete lack of standards on the benefit side.

5. Because of the requirement that each state separately and independently finance its own unemployment benefits, and because the impact of national recession falls unevenly, the burden of the national problem of unemployment is distributed unevenly and unfairly, and sometimes disastrously among the states.

The proposed Federal Unemployment Compensation Standards Bill would in large part meet these essential problems. We submit, therefore, that its enactment is imperative to the preservation of the Federal-State structure of our unemployment compensation system. We therefore urge your favorable action on the measure and its adoption by the Congress during this session.

Mr. Chairman, I would like permission to supplement this statement with some tables and other technical material in support of our position prepared by our AFL-CIO Department of Social Security.

THE CASE FOR THE FEDERAL UNEMPLOYMENT COMPENSATION STANDARDS BILL

(S. 791 -- H.R. 3547)

Department of Social Security
AFL-CIO
815 16th Street, N.W.
Washington 6, D.C.
April, 1959

Nelson H. Cruikshank, Director

Raymond Munts, Assistant Director

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NOTE ON STATISTICAL DATA

Unless otherwise indicated, the data in this study is accurate as of January 1, 1959. Changes in State legislation since January 1, usually scheduled to go into effect July 1 or later, are not taken into account in the text, unless the change would affect the conclusion drawn.

However, all amendments to State U.C. law enacted this year up to April 8, are noted on page 18.

SUMMARY OF PROVISIONS

The bill recognizes that in order to achieve the goals of employment stabilization and security against unemployment and in order to strengthen the economy and the welfare of the nation, certain improvements in the unemployment compensation program are necessary. It extends to certain new categories of workers the benefit of the unemployment compensation program and prescribes certain uniform minimum standards with respect to weekly unemployment compensation benefits and the period of time for which such benefits will be payable. It also provides for the establishment of a fund composed of present federal unemployment tax collections from which the administrative costs of the program will be paid and from which reinsurance grants will be made to States which suffer excessively high rates of unemployment.

Section 2 of the bill establishes the additional standards which a State law must meet in order to be certified by the Secretary of Labor for the purpose of permitting credit against the federal tax for employer contributions under the State law. The additional standards cover the following areas: (1) The maximum and minimum weekly benefit amounts provided by the State law; and (2) the duration for which benefits are payable under the State law.

1. Weekly Benefit Amount. Section 2 requires that the maximum benefit under the State law be not less than an amount equal to 2/3rds of the average weekly wage within such State. It also requires that subject to this maximum every individual receive a benefit equal to at least 1/2 of the individual's average weekly wage. In no case would an individual receive a benefit in excess of the State maximum.

Thus, if the average weekly wage in covered employment in State X is $60.00, the State law must provide a maximum weekly benefit of at least $40.00. An individual whose average weekly wage is less than $60.00 would be required to receive a weekly benefit of at least 50% of his own wage. The individual who earns $50.00 a week would only receive a weekly benefit of $25.00 a week. The individual who earns $60.00 a week would receive only $30.00 a week. In no case, however, would State X be required to pay anyone more than $40.00 weekly. Individuals who receive $80.00 a week would be entitled to the $40.00 but no individual who earns more would be paid a greater benefit.

2. Benefit Duration. Section 2 of the bill would require that all eligible individuals be entitled to benefits for at least 39 weeks of unemployment. This does not mean that every individual will automatically receive 39 weeks of benefits in a year. State laws all require that the individual be unemployed and that he be able and available for work during each week of unemployment.

3. Supplemental Unemployment Benefits. The only standard with respect to disqualification provisions of State laws applies to benefits paid under privately established supplemental benefit plans. Section 2 would specifically preclude the denial or reduction of State benefits because of the receipt of private supplemental unemployment benefits. Only 2 States now reduce benefits because of the receipt of SUB. Forty-two (42) States, the District of Columbia and Hawaii hold that the payment of supplemental unemployment benefits does not affect an individual's right to State unemployment compensation benefits.

Subsection (a) of Section 3 of the bill extends the coverage of the Federal Unemployment Tax Act to employers of one or more individuals.

Subsection (c) of Section 3 adds definitions of "benefit year," "base period," "high quarter wages" and "average weekly wage" to the present definitions. These definitions are necessary in order to avoid contravention by a State of the amendments proposed in subsection (a).

Section 4 would give additional freedom to the State in determining the methods of reducing employer's taxes under the State law below 2.7%. Under present law, if a State wishes to impose a tax lower than 2.7% on employers, it may only do so by

instituting a system which rates individual employers on the basis of their own experience. A State which desires to levy a uniform rate of less than 2.7% on all employers is now unable to do so.

This amendment would permit a State to levy a uniform contribution rate of less than 2.7%. It would also permit a State which desires to continue a system of individual employer experience rates to continue to do so. In short, it imposes no new Federal requirement; it relaxes the existing requirements.

Section 5 amends those provisions of the Social Security Act relating to grants to States for administration of State unemployment compensation laws by providing that all collections under the Federal Unemployment Tax Act are earmarked in the Federal Unemployment Account in the unemployment trust fund. This account was established by Congress in 1947.

Section 5 provides that all funds for administration of State laws, including contingency amounts which are to be expended only in the event of unforeseen changes in economic conditions, shall be charged against the Federal Unemployment Account. Unemployment compensation administrative expenditures of the Department of Labor shall also be charged to the Federal Unemployment Account.

Section 6 repeals provisions of the present law inconsistent with the changes made in this bill.

Section 7 provides that a State whose accumulated funds for unemployment compensation has reached a precariously low condition will be entitled to a re-insurance grant from the Federal Unemployment Account. The amount of such grant will be limited to 3/4ths of the excess by which compensation payable under such State law exceeds 2% of the State taxable payroll. In other words, only where unemployment benefits cannot be financed through a 2% contribution rate will the State receive any Federal grant. To the extent that its costs exceed 2%, it will still be required to finance 1/4th of the costs out of State funds.

In order, however, to avoid the possibility of a State permitting its fund to reach a precariously low condition in order to receive a Federal grant, the bill requires that as one of the conditions of eligibility that whenever a State's fund drops below 6%, it impose a minimum rate of contribution of at least 1.2%.

Section 7 changes Title IX of the Social Security Act and makes certain technical changes in Section 904 in order to achieve consistency with the substantive amendments proposed by the bill.

Section 8 of the bill provides that the above provisions extending coverage and establishing benefit standards which must be met by State laws shall be effective as of July 1, 1960. This would give to the States sufficient time to make the necessary statutory changes in their State unemployment compensation laws before the standards become effective.

NEED FOR BENEFIT STANDARDS

INDIVIDUAL BENEFIT OF HALF LOST WAGES

The weekly benefit amount standard proposed in H.R. 3547 consists of two related parts:

It would require an individual benefit amount of 50% of the claimant's average weekly wage subject to a maximum of 2/3rds of the State's average weekly wage. This maximum would allow individual benefits of half the lost wage for about 3/4ths of all workers covered by the law in each state. Only the highest 1/4th of wage earners would then receive benefits less than half their individual lost wage.

A benefit of half the individual's weekly wage is a minimum floor. This principle was built into the early unemployment compensation laws as a compromise. It was then argued that benefits should pay no more than a fraction of the wage so as to prevent malingering. However, what impels the unemployed worker to seek employment is not merely a matter of the level of benefits. The "incentive to work" is affected by his seniority rights which have become a part of the employment relationship in most industries since the inauguration of unemployment insurance. Millions of workers now have a regular attachment to a payroll and their job and job rights depend on their reporting for the work if the plant is operating.

The purpose of unemployment insurance is not to secure the speediest possible re-employment of workers at whatever wages and at whatever skills they can find jobs, but to give workers a short-run carrying power so that they may be able to preserve, to the best of their ability, those skills and their earning power.

A benefit of half of lost wages was more adequate twenty years ago than it is today. Lay-off then meant only loss of the weekly wage. Today the wage earner loses his pay check, then by the end of the month, he usually loses his medical insurance and in a few more months, he may lose his group life insurance -- or at least he will have to pick up the bill himself at a substantially higher premium. During lay-off he does not now accumulate pension credits, he no longer gets holiday pay under most contracts, he loses every day of lay-off some of his future vaction pay; he may also lose some of his government old age pension because the lay-off cuts down the average wage used to compute his OASI benefit.

Withholding taxes, since 1943, are a consideration in the other direction. There are many agreements between management and labor that a weekly benefit of 65% of net wages does not adversely affect the incentive to seek employment. There are thousands of labor contracts providing temporary weekly disability benefits of this amount; SUB agreements also recognize this principle. The proportion of wage loss compensation in the temporary disability formulas of most State workmen's compensation laws is at 65% of wages net of taxes withheld.

Because withholding taxes affect workers differently according to their number of dependents, the AFL-CIO is willing to accept weekly benefits under unemployment insurance at 50% of lost wages. We believe that the increase in non-wage compensation about offsets the affect of withholding taxes and a weekly benefit of 50% of gross wages roughly approximates a benefit of 65% of net wages.

Originally, unemployment compensation laws established benefits at 50% of the worker's full time weekly wage. Almost all State laws have now departed from this and now average the worker's earnings over a period of time, either over a quarter (13 weeks) of his base year in which he made the most wages or over his entire base year, before figuring 50% of average weekly earnings. Obviously, the longer the period over which the earnings are averaged, the greater the reduction in benefit amount relative to full time earnings. The benefit is, in effect, reduced because of lost time due to no fault of the worker, such as illness, lay-off, etc.

Among the States that use a high quarter formula, three have already departed even from the principle that benefits should be half of averaged weekly wages. (Arkansas, California and Massachusetts.) Two States that use an average weekly wage formula

have also departed from the one-half of weekly wage principle. (Michigan and New Jersey.) And all of the annual wage formula States, by averaging earnings over too long a period, have in effect departed from the principle. (Alaska, Kentucky, Maine, Minnesota, New Hampshire, North Carolina, Oregon, Washington and West Virginia.) These States average earnings over a year and provide a benefit considerably less than one half normal full time weekly earnings. The proposed standards would require that benefits be 50% of weekly wages averaged over the highest quarter or averaged over weeks of employment, but not when averaged over the entire base year.

The trend in State laws since 1952 is very definitely in the direction of restricting the weekly benefit amount to a smaller proportion of wages. Of 33 States which have altered the weekly benefit formula, 23 now provide a benefit that is a smaller fraction of the weekly wage than they did in 1952. Only ten have liberalized the benefit amount to a larger proportion of the weekly wage. (See Table I).

The importance of providing a benefit of at least half of gross weekly wages or about 65% of take-home pay can be seen in recent studies of the inelasticity of family budgets. Judging from the City Worker's Family Budget compiled by the Department of Labor, which is necessary to provide a "modest but adequate" standard of living, the non-deferable expenditures for housing, food, utilities and medical expenses make up about 2/3rds of the total. Beneficiaries' studies conducted by the State employment security agencies and the Bureau of Employment Security of the Department of Labor show that four-person households must continue to spend about 3/5ths to 2/3rds of their normal cash outlay for food, shelter, utilities and medical care when the head of the household is laid off. The unemployed can defer few of their expenses -- some clothing, entertainment, transportation and personal care costs. The prevalence of buying on time can mean big losses if they fail to keep up at least token payments. Family budgets just are not very elastic, especially for lower income workers. Furthermore, the longer the period of time a worker is unemployed, some items that were deferable for a few weeks become less deferable as his unemployment drags on.

The opinion is widely held that unemployment insurance as a wage-loss system, i.e. that benefits should be paid as a fixed proportion of wage loss, is now a generally accepted principle. This is not the case as one may see by examining recent employer statements, such as have recently issued from Unemployment Benefit Advisors, Inc., and the U.S. Chamber of Commerce. For example, the Chamber of Commerce argues that the buying power of the average U.C. benefit today is substantially greater than in 1939, the average weekly payment then being $10.66 as against $30.45 in October 1958. Living costs, according to the Chamber, increased 108% during that period, "so that today it would take $22.17 to buy what $10.66 would in 1939. But today's $30.45 U.C. payment is 30% above $22.17."

Even relief programs which adjust benefits according to need do not choose some out-dated standard of living as the criterion for need. Unemployment insurance benefits are not intended to be a nose dive to mere subsistence. Prices and wages have risen since 1939 and there is no reason to tie benefit increases only to the price rise.

Man-hour productivity has risen 175% from 1939 to 1958. If we adjust the average benefit for both price and productivity increases during that time, benefits today would be about $38. This is approximately what the average benefit would be if the 50%-of-lost-wages principle were realized for the great majority of U.C. beneficiaries.

Benefits today should buy more goods and services than they did in 1939. A standard of living appropriate to a jobless worker 20 years ago is not appropriate today; medical care, housing and transportation that were once luxuries are now necessities. Getting a lay-off slip should not mean a transfer to the 1930's. The principle of unemployment insurance is to tie the benefit to the wage which over the years provides the laid off worker with the recognition that he too through greater productivity has contributed to making this a wealthier country.

MAXIMUM BENEFIT AT 2/3 STATE'S AVERAGE WEEKLY WAGE

It is absolutely necessary to nail down through a federal standard the principle that benefits must be at least half of regular earnings, and it is equally important to raise maximums so that the half-of-wages principle will operate for the great majority of covered workers.

In 1939, an average manufacturing worker making $23 a week received a benefit of half his wage in all states. But in 1958 that same average manufacturing worker, now making a wage of $90 a week, gets a benefit of half his wage in two states only, New York and Wyoming. In all other states, he is held down by the maximum to less than that proportion of his wage. In four states (Oklahoma, Vermont, Texas and Virginia) his benefit is limited to the $28 maximum which is only 31% of his wage, and in Arkansas and South Carolina, the maximum of $26 is only 29% of his wage. For a state-by-state analysis of how workers at varying wages receive less than half of their weekly wage, due to the low state maximums, see Table II.

Maximum benefits relative to average weekly wages have declined in every state since 1939. (See Table III). Whereas the median state used to have a maximum at 65% of average weekly wages, the median is now 44%.

The maximum benefit as per cent of each state's average weekly wage	Number of states and territories 1939	1958
70 & over	18	0
60-69%	17	0
50-59%	15	7
40-49%	1	31
30-39%	0	13

In 1939, even if a state had a maximum at 70 or 80 or 90% of average weekly wages, no individual received that proportion of his own wage as a benefit. A high maximum relative to average weekly wages simply means that a larger number of the eligible workers will receive a benefit of half of their individual wage.

It has been estimated by the U.S. Department of Labor that "... if the majority of covered workers is to be eligible for benefits equal to at least half their regular earnings, the maximum would need to be from 3/5ths to 2/3rds of the average wage of all covered workers."

It will be recalled that the President has recommended that the maximum be high enough so that the great majority of covered workers can be eligible for at least one-half of their wages. He has reiterated this recommendation each year since 1954, but at the present time no state has a maximum at even 60% of average weekly wages, and only six states have a basic maximum at least 50% of state average weekly wages. These six states account for only 4% of the covered workers in unemployment. At the other extreme, the maximum represents less than 40% of average wages in 13 states with 34% of the covered workers. (See Table IV).

Nor has there been much improvement since the President began recommending in 1954 that benefits be improved. At that time, three states with 3% of the covered workers had maximums

representing 50% or more of average covered wages, and 19 with 37.3% of the covered workers had maximums representing less than 40%. (See Table IV).

The present Administration policy of asserting that states in 1959 will enact legislation approximating the recommended standards is based purely on wishful thinking. The year 1955 was a relatively good year for unemployment compensation but no state even came close to the recommendations. If we look at the record for the major legislative years, 1951 through 1957, we see that 25 states actually slipped backwards in their maximum benefit amount relative to wage levels. (See Table V).

The failure of the states to raise maximums proportionately with the rise in wages has gradually converted the unemployment insurance program from a wage-related benefit system to a flat benefit amount program for about 1/2 of the unemployment compensation beneficiaries. In three states (Illinois, Lousiana, and Ohio) the proportion at the maximum was 80% or more during 1958. Almost all of those who received the maximum amount prescribed by the state laws are getting less than 1/2 of their weekly wages in benefits. Certainly when 80% of claimants receive identical benefits, i.e. the maximum allowed, the wage-related benefit system has practically ceased to exist, and the state has, in effect, a flat benefit program. (For the proportion of new insured claimants receiving the maximum basic weekly benefit and therefore limited to less than half of their own individual weekly wage, state-by-state, see Table VI).

Significant changes would have to be made in many state laws to have maximum benefits constitute either 3/5ths or 2/3rds of the average weekly wage. As of September 1958, only five states could attain these standards by increasing their maximum by $10 or less. Six states would have to increase their maximum by $20 or more. (See Table VII).

Analysis can also be made of average weekly benefits relative to wages but average weekly benefit paid to U.C. beneficiaries is a function of the wage level of the beneficiaries at any particular time as well as the maximum amount and the benefit formula in the state statutes. This detracts from its value as a criterion or measure of adequacy. A recession in the heavy industries such as we have had in 1958 when higher wage workers are unemployed will show a higher average weekly wage for beneficiaries than will the average weekly benefit paid during a slump in soft goods industries, such as we had in 1949 and 1954. Furthermore, over a period of time as wages rise, the average weekly benefit paid will rise also even though the state statutory maximum benefits and the weekly benefit formulas were to remain the same. According to the Department of Labor, "there is considerable uncertainty over the relationship between the average wage of claimants and the average wage in covered jobs. Again, largely because of variations in economic conditions, this relationship varies from state to state and over time, thereby limiting the usefulness of the ratio of average benefits to average wage in covered jobs." (Source: "Adequacy of Benefits under Unemployment Insurance," Staff Report, U.S. Department of Labor, October 1958, p. 16.)

The best criterion for level of maximum benefit amounts is the proportion of covered workers that will receive 50% of their individual wage. H.R. 3547 proposes that the maximum be set at 2/3rds of average weekly wages in each state in order for the great majority to receive at least half their regular earnings. This is corroborated by a composite of sample studies in the states of Michigan, New Jersey, New York and Wisconsin, which show that if the maximum were set at 67% of the statewide average, from 6 to 29% of the beneficiaries in these states would still receive less than one half their former earnings. The average for all states studies was 17%.

The Department of Labor has developed this approach further by estimating what maximum weekly benefit amount in each state would result in only the top 25% of high wage claimants receiving the maximum benefit and all others receiving a benefit of half their wage. These maximum benefit amounts appear to group around 2/3rds of each state's average weekly wage. (See Table VIII).

It is necessary to reiterate that the maximum benefit amounts proposed will be the actual benefit paid only to those whose wage is at least two times the maximum benefit. Some employer organizations are intentionally misleading the public on this score by implying that the new maximums are "weekly benefit amounts" (See for example Unemployment Benefit Advisors, Inc. letter of February 5, 1959). Too many people already confuse the maximum weekly benefit amount with the average weekly benefit or with the individual benefit of 50% of wages that unemployment compensation is intended to reimburse.

The proposed bill establishes maximums at 2/3rds of average weekly wages rather than specifying a dollar amount in order to prevent the lag in benefit amount relative to wages that has characterized the unemployment insurance program from the beginning. No social security type program should have a built in susceptibility to erosion of adequacy. We, therefore, believe that benefit maximums should automatically increase or decrease with increases or decreases in the prevailing wage levels. Two states, Utah and Wyoming, have already written this principle into their laws, as has Colorado this year, and other states are giving serious consideration to this new approach. AFL-CIO state bodies in their efforts to keep benefit levels up with the times have continually had to sacrifice other substantive features -- usually new and tricky disqualifications.

In no sense do extra allowances for dependents above the individual entitlement argue for a smaller benefit than the 50% wage replacement formula or for a maximum lower than 2/3rds the state's average weekly wage. Twelve states now provide additional allowance for dependents, which vary from $1 to $5 per dependent, usually with a limitation on the number of dependents for whom additional benefits shall be paid. During the first nine months of 1958, the number of beneficiaries in these states who had compensable dependents ranged from 10% to 63% of all beneficiaries in the state. Dependents' allowance increased the benefit of those who received it about 20% on the average. Dependents' allowances are not proposed as a federal standard because this is an area in which states are still experimenting. The very limited elasticity in family budgets might well argue for dependents' allowances in addition to the basic benefit amount. On the other hand, variable benefits conditional on dependent status may not be appropriate in a wage-related program because of the prevailing American practice of paying uniform wages regardless of dependent status. Nothing in the proposed bill would prevent a state from continuing to experiment with extra dependents' allowances.

Enactment of this proposed standard on benefit amount will (1) restore unemployment compensation benefits to their role as wage replacement, related in amount to lost earnings; (2) allow at least three out of four U.C. claimants a benefit of at least half of their own lost wage; (3) establish different dollar maximums according to the wage levels in each state; (4) provide for the automatic adjustment of the maximum benefit amount with future changes in each state's average weekly wage.

DURATION OF BENEFITS

H.R. 3547 proposes as a duration standard that each state law provide benefits up to 39 weeks for all claimants able and available to work if they are unable to find employment within that time.

When unemployment insurance was initiated, all but six states limited benefits to a maximum of 16 weeks or less. The original duration provisions were admittedly inadequate (3 million people exhausted their benefits in 1939) but were limited because of the uncertainty as to what could be provided with a 2.7% payroll tax.

Experience in the war and post war periods clearly indicates that this was unnecessary conservatism. As a cost of doing business, unemployment insurance taxes have declined considerably to one-third their original rate despite increases in the duration of benefits. Given the increasing length of unemployment due in part to technological change and the planned obsolescence of employees, it is necessary to take a fresh look at the role unemployment insurance should play.

The clearest indication that the duration of benefits is inadequate under modern conditions is that, during 1958, 2.8 million individuals were still out of work after they exhausted their regular unemployment insurance benefits. Even more significant, in the years 1956 and 1957, both of which were characterized by relatively low unemployment (except in the latter part of 1957), the number of exhaustions exceeded a million. The average duration of benefits for those who exhausted in these years was about 20 weeks. All these workers were willing and able to work but suitable work was not available to them. (See Table IX).

Not only are the absolute numbers of workers exhausting benefits significant but also the proportion exhausting. About 1/4th of those who drew any benefits in 1956 and 1957 exhausted this entitlement. This ratio is for the United States as a whole; there was a much higher ratio for some states. For example, in 1956, when exhaustions were lowest, 17 states had ratios of exhaustions exceeding 30%, ranging up to a peak of over 40% in Louisiana and in Florida. The exhaustion rate in 1958 was, of course, higher, but it is not necessary to argue even the conditions of a recession year to see the inadequacy of benefit duration.

The major reason for the high rates of exhaustions is the limitation on the duration of benefits. For example, in New York and New Hampshire both with a uniform potential duration of 26 weeks, the ratio of exhaustions in 1956 was 11.2% and 12.8%, respectively. Only five other states have a uniform potential duration of 26 weeks or more. Twenty-four states have variable durations with a maximum of 26 weeks and two have slightly higher. The other states have variable duration of less than 26 weeks, ranging down to the maximum of 16 weeks in Florida. (See Table X).

The average potential duration of benefits of all claimants was 23.4 weeks in 1957, slightly higher than for persons exhausting benefits. In individual states in 1957, the average potential duration ranged from 14.3 weeks in Florida to 30 weeks in Pennsylvania. Average potential duration for the country as a whole has improved by only 1.4 weeks between 1952 and 1957. Since the President first recommended uniform potential duration of 26 weeks, there has been a net gain of only three states that meet this goal.

In the light of experience, the President's recommendation of a uniform 26 weeks duration appears short sighted. While representing a substantial improvement over the present provisions, it would be too low to permit unemployment compensation to obtain its objective for a sizeable number of workers. In New York State, for example, which provides 26 weeks of uniform duration, a study of exhaustees shows that 27% of those who had exhausted benefits were still unemployed four months later.

Experience with temporary extensions during 1958 clearly shows the need for longer duration. In those 22 states with such a temporary extension of duration, almost 1.5 million in 1958 alone filed for additional weeks after they had exhausted regular state benefits. Generally, the older the worker, the longer he was unemployed.

Judging by the effects of the 1958 recession, long term unemployment is becoming a more serious problem for the American economy. In the Fall of 1958, about one half of the unemployed had been out of work over 26 weeks in the preceding year (See University of Michigan "Survey of Unemployment," October 1958); one fifth during their last and current spell of unemployment. This latter group numbered almost a million workers as late as August of 1958. Even during the relatively prosperous years of 1956 and 1957, close to 10% of the unemployed were without work for half a year or more, with the number of people in these desperate straits hovering around the quarter of a million mark.

In terms of the number of people unemployed for as long as half a year, twice as many were unemployed in the recession in 1958 as in the 1954 recession. As a percentage of total unemployed, the 1958 peak was substantially higher than the peak reached in 1954, 21.6% as against 16.4%.

During the more prosperous year of 1956 and 1957, the long term unemployed, both in terms of absolute numbers and as a percent of total unemployed, was a more serious problem than the comparable situation in earlier years.

If the analysis is broadened to cover these unemployed 15 weeks and over, the same conclusion stands out. Thus, at the present time, well over a third of the work force unemployed could be characterized as long term unemployed. (See Table XI for a comparison of long term unemployment year-by-year since 1954).

The longer duration in unemployment we are experiencing in recent years may be a product of the increasing rate of technological change and the impact this has on the economy generally and in the labor market especially. The incidence of technological change is a contributing factor to the dragging out of this recession, which all adds up to putting more of the burden of our changing economy on the men and women who work for wages. A survey of exhaustees in Oregon in August of last year showed that 70% of the men in 1958 as compared with 45% in 1956 still were looking for jobs two months after exhausting unemployment insurance, and 76% of the women in 1958 compared with 64% in 1956 were still jobless.

The appropriate number of weeks which should be available to all otherwise eligible workers must reflect prevailing employment and unemployment patterns. If experience showed that it was only exceptionally that workers were unemployed for more than, say 20 weeks, there would be a strong case for selecting this figure as the minimum duration standard. Actually, available data indicates that the normal worker is likely to suffer unemployment of longer duration than this at some time or other. In the years 1954-1956, when over a million workers exhausted benefits annually, the average duration of those exhausting was slightly more than 20 weeks. Studies in 16 states of persons who exhausted their benefits in these years show that from 23 to 57% of the exhaustees were still unemployed four months after exhaustion of benefits. (See Table XII).

Adding the unemployment before and after exhaustion, many of these had undoubtedly been unemployed 37 weeks or more.

It has been proposed by some that the duration of unemployment insurance should be increased only in times of severe unemployment, such as when national unemployment reaches 6% or when the unemployment in a state is 6% or over. But all the above evidence suggests that long duration of unemployment may strike a worker even in times when over-all economic conditions are good. Can we deny a potential 39 weeks of benefits to a textile worker in a milltown whose only plant has closed down on the grounds that the statewide level of unemployment is less than 6%? Can we discriminate against the older worker who has a harder time becoming re-employed at any time because industry has branded him as an "aged obsolescent?" The post-exhaustion studies referred to above show not only that exhaustees as a group tend to be older but the rate of re-employment after exhaustion for the older group is less.

The long-run cost of raising the average potential duration to 39 weeks is small compared to the social purpose served. Unemployment insurance as a cost

of doing business is today only one third of that originally intended. It has been estimated by technicians of the Department of Labor that the cost of increasing potential duration to 39 weeks adds only 11% to the cost of the present program. The reason for this small increase in cost is that raising the potential duration has only a minor effect on the average actual duration. (Compare Table XIII "Average Potential Duration, State-by-State, 1952-1957" with Table XIV, "Average Actual Duration, State-by-State, 1952-1957")

It is argued by some that the duration of benefits should be proportional to earnings in some previous period such as the base year. This is the principle in those states that provide variable duration. But uniform duration, for all claimants, as recommended in H.R. 3547, better serves the purpose of unemployment compensation by recognizing that the contingency insured is the likelihood of re-employment. A worker's weekly benefits are already adjusted to the amount of his past earnings. There is no reason for also adjusting the duration of benefits to those earnings. Some employer spokesmen look with horror at the idea of paying benefits over a period of time so that the total benefits paid in the aggregate equal more than base year earnings. This, however, is consistent with the principle of social insurance and is no more inequitable than the case of a life insurance claimant who drops into the mail only one or two premiums and then dies leaving his survivors to collect the face amount of the policy -- many times in dollar amount the premiums paid. Should his widow collect a benefit proportional to the premiums paid? The fact is that the prospects of a man being employed vary with economic circumstances and not with whether he is a high or low paid worker or whether he worked many or a few weeks in some given past period. It is a perversion of the insurance principle to limit total potential benefits payable to a proportion of base year earnings. It is for this reason that the President has repeatedly recommended a uniform duration for all claimants.

The effect of the two benefit provisions proposed in this bill -- that on benefit amount and duration of benefits -- and their impact on each state are shown in Table XV.

WAGE QUALIFYING REQUIREMENTS FOR ELIGIBILITY

Unemployment insurance should provide protection for all bona fide members of the labor force -- those who want employment and who would work steadily if suitable work were available to them on a regular basis. The central requirement here is the test of availability for work. But in addition wage-qualifying requirements are established in every state law which more or less arbitrarily define who is in the labor force by the amount of their earnings and duration of their employment in their base year.

There is need for further study of attachment to the labor force and a standard proposed in H. R. 3547 simply sets outside limits on the restrictions. The standard proposed would allow no wage qualifying requirement to be more restrictive than requiring 20 weeks of employment in the base period, a total base year earnings of one and a half times the amount of high quarter wages, or total base year earnings of more than 30 times the amount of the unemployment compensation weekly benefit.

When benefits were first payable in 1938, the test of insured status was generally a nominal one. Workers in most states could qualify on eight or fewer weeks of work a year. Later when the formulas for determining the weekly benefit amount were revised, the wage qualifying requirements were also changed. It is appropriate that wage qualifying requirements should increase as wage levels rise, but in a great many states the proportion of claimants ruled ineligible because of insufficient base year earnings or an improper distribution of employment has increased.

Today most states use one or more of several approaches. A state may specify the requirement of a flat amount of earnings in the base year; or may specify that the total earnings should be some multiple of the weekly benefit amount; or it may specify the number of weeks that must be worked in the base year; or it may require employment in one or more base year quarters; or it may specify in which quarters of the base year the employment must have been; or it may limit qualification to those who establish eligibility for the minimum benefit amount; or it may require a combination of these formulas.

The more serious development is the use of several of these requirements in combination. A worker may be able to establish eligibility according to a specified flat benefit amount of earnings in the base year but his distribution of earnings may disqualify him. A requirement of distribution of earnings over more than one calendar quarter may increase the number of non-insured by 33% to 100% over the number who fail to meet the minimum earnings test. In Texas, for example, a combination of six wage qualifying requirements in three alternative tests whipsaws the claimants and establishes a high percentage of ineligibles. In some states as many as 25% of unemployment compensation claimants were declared ineligible because of failure to meet the wage qualifying requirements.

There is at the present time insufficient data on the effect of wage qualifying limitations. The studies that have been made indicate that while a certain percentage of claimants are ineligible because of the wage qualifying requirement a much larger proportion of the covered workers would be ineligible. For example, in Oregon, 15% of the new claims filed during the benefit year were disallowed because of failure to meet the wage qualifying requirement. However, an analysis of the wage records of 15,584 covered workers in Oregon during the base period (1956) indicated that 33% of them could not meet these wage qualifying tests.

Since there is need for more study on what constitutes attachment to the labor force, the proposed standard on wage qualifying requirements is admittedly general in character and would not require amendment in many of the 51 jurisdictions.

Since there is a drive in some quarters to limit unemployment compensation only to those employees with a long record of attachment and because this would change the social insurance character of the unemployment compensation program,

it is necessary to establish some outside limits on wage qualifying requirements. The idea is all too prevalent that the length of duration should be tied directly to the base year earnings of the U. C. beneficiary. The higher benefit and duration standards in H. R. 3547 would, unless limits were put on wage qualifying requirements, lead to a strong concerted effort to decrease the proportion of workers who could qualify.

The proposed standard on wage qualifying requirements would put some perspective to the movement in a number of states to restrict higher and more adequate weekly benefit amounts to a relative minority of workers with regular employment at high wages.

The so-called marginal claimants, that is those who barely qualify under existing wage qualifying requirements, contain too large a proportion of primary wage earners, family supporters, long term wage earners with irregular employment in their base year, and who generally, in a depth investigation, would be classified as firmly attached to the labor force.

COSTS AND FINANCING

Under the present system, the federal government imposes a 3% payroll tax on annual earnings up to $3,000. The tax is paid by employers. Against this federal tax, employers are allowed a credit or offset -- up to a maximum of 2.7% -- of any amounts which they pay under state unemployment compensation law, provided that the state law meets certain federal requirements or "federal standards."

A federal U.C. law was enacted because only one state had dared step out front with its own law. The federal law was designed as an inducement to other states. They needed this inducement because the individual states were afraid that enactment of an unemployment compensation program and a payroll tax would hinder their industrial development.

From 1938 to the present, the average tax rates as a percentage of total payroll have been reduced under the incentives of experience rating from 2.7% to .9%, or one-third of that originally intended. (See Table XVI.) Expressed as a percentage of taxable payroll, this is a reduction from 2.7% to 1.4%. State by state the average employer tax varies from .4% in Virginia to 2.7% in Rhode Island, Washington and Alaska. (See Table XVII.) Within the states, tax rates can vary greatly, in some states from .0% to 4.5%. (See Table XVIII).

As a cost of doing business, the proper measure of the tax is as a percentage of total payroll. The reduction from 2.7% to .9% has been accomplished by lowering tax rates under the incentive of experience rating and by holding to a rigid tax base of the first $3,000 of employee earnings. Translated into cents per hour, this is a decline from 4¢ per employee hour worked to 1.3¢.

This decline in cost has been accomplished by a decline in average benefits relative to wages and in maximum benefit amounts relative to wages, as described earlier.

Experience rating is a system of allowing each employer's tax rate to vary with the volume of U. C. claims allowed from his employees. It operates in every state, except Alaska. It is supposed to be an incentive to stabilize employment; in practice, it encourages low rates, low benefits, and "unfair" disqualifications.

The myth of experience rating as a stabilization incentive was exploded again by the recent recession. In the three years 1955-57, employers have been rebated or tax excused, a total of 4.5 billions of dollars under experience rating. Instead of stabilization, we got the worst recession in 20 years.

Employers like experience rating when it produces a lower tax; but they will interfere with experience rating in order to lower taxes still more. In Pennsylvania today the fund is at a dangerously low level because employers persuaded the legislature in 1951 to roll back the tax rates and in 1955 to set up a system of advances for avoiding higher rates.

Proponents of experience rating say it provides more efficient administration of the law. But in practice, it substitutes policing by employers for impartial administration by the state agency. In Ohio, employers hire outside "service" firms to contest all claims. These firms charge a fee based on their success in defeating employee appeals.

The Federal Standards Bill would remedy the problem in two ways:

(1) By setting benefit standards, the Bill gives each state a definite objective for its financial decisions. Tax rates can be adjusted to the cost of benefits, instead of the other way around. For less than 2¢ per employee-hour worked -- only half the original intended cost -- we could have an adequate system of unemployment insurance.

(2) By allowing an alternative to experience rating, the Bill would aid the states toward sounder financing. At present, federal law permits a reduction in the 2.7% tax only through experience rating (a federal standard employers like!). The Bill would give the states an option -- either experience rating or equal reductions for all employers, when unemployment is low and reserves are high.

Change is long overdue. Clinton Spivey, Professor of Management at Ohio University, summed up his recent thorough study of experience rating: "... experience rating is unsound in principle and almost impossible of equitable administration." (Clinton Spivey, "Experience Rating under Unemployment Insurance," University of Illinois Bulletin, 1958).

How much would the higher benefit amounts specified in this bill cost on the average? It has been estimated from data supplied by actuaries of the Bureau of Employment Security of the U. S. Department of Labor that establishing maximum weekly benefit amounts at 2/3rds of the state's average weekly wage would cost 22-23% more than the cost of present benefit levels. The cost of uniform duration of 39 weeks would add 22% to the cost of present duration provisions. Adding both the maximum weekly benefit standard and the duration standard would add 49-50% to the cost of present programs. These additional costs, since they are expressed here as percentages, hold true over the business cycle. Obviously, when claims are high, the dollar amount of this cost increment is greater, but as a percentage it remains nearly the same.

This means that the total cost of the proposed bill would be between 1.3-1.4% of total payroll, or 2.0% of taxable payroll, or expressed as cents per hour worked, 2¢ per employee hour worked. In other words, the total cost rate after enactment of this bill would be only half of the original cost rate of unemployment insurance.

No state yet meets the benefit standards recommended repeatedly by President Eisenhower since 1954.

Two major obstacles have prevented the states from making substantial improvements:

(1) Separate State Financing: No pooling of risk -- State reserves are isolated from one another, leaving each state fund unsupported during a slump in its major economic activities. Last year, six of the state systems almost went broke (two had to borrow from the federal loan fund), while the others ended 1958 with combined reserves of $7 billion.

Independent state-by-state financing requires higher reserves and lower benefit amounts than would otherwise be necessary. Fear of U. C. fund insolvency has contributed to keeping benefits down.

(2) Competition among States for Industry -- Employers argue for lower benefits and lower taxes by threatening the state with loss of industry.

Here is the typical employer argument:

Manufacturers Association of Connecticut: "Our state is competing today for more plants and new industries. To hike the cost of doing business in Connecticut is not the road to more jobs, but to less jobs."

Ohio Chamber of Commerce: "Before the CIO campaign (for better unemployment compensation) it could have been foretold that a central issue would be whether the proposal would put Ohio at a competitive disadvantage with other industrial states. ..."

General Electric in Kentucky: "No other southern state -- except Arkansas and Alabama -- have seen fit to extend benefits. These southern states represent our major competition for the new jobs of expanding business and industry."

The unequal incidence of unemployment on states, and employer pressures to keep down benefits causes great extremes in costs: In 1958, the average

tax rate in Rhode Island was seven times that in Virginia. In Michigan, one-fourth of the employers paid a rate over 2.7% to the fund; nine-tenths of the employers in Colorado paid a .0% rate.

The Federal Standards Bill would remove cost differences in two ways:

(1) A system of re-insurance would backstop any states faced by an emergency of continuous heavy payments. This alleviates the dangers of separate state financing, removes the financial objection to higher benefit amounts, and to some extent shares the cost of concentrated unemployment.

In such disasters as droughts and floods, the entire nation provides assistance to the stricken area. Re-insurance grants would provide the same kind of joint security against our economic storms.

(2) Federal benefit standards would remove differences due to extreme variations in benefit amount and duration. In the words of Governor Meyner of New Jersey, "The federal government having initiated the program on a basis calling for state administration has wholly failed to prevent some of the states from adopting programs so inadequate as to be almost meaningless. ... A single state by itself is powerless to legislate in any effective way to cure this condition."

The Federal Standard Bill on unemployment compensation will bring substantial improvement in every state law and yet it does not change the present federal-state U. C. system.

When a state law does not meet the federal requirements or standards, it is "out of compliance," and employers do not receive the offset. There are now according to the Secretary of Labor, thirty-four standards a state law must meet and most of these have been in the federal law from the beginning.

But there were no benefit standards in the original federal act. The wide state-by-state disparity in benefit levels and U. C. costs that has developed was not anticipated. Inflation has required higher benefit levels, but many states have held back.

The Federal Standards Bill would add two benefit standards and two eligibility standards, and amend an existing financial standard. There would be no change in the present federal-state relationship. Interstate differences in benefits and costs would be diminished.

If the bill passes this session, a state would have until July 1, 1960, to bring its own law into compliance.

There would be no change in the amount of the federal tax. The federal offset of 2.7% is about twice the long run cost of unemployment benefits, and more than enough with even the new benefit standards.

No appropriation from general federal revenues is necessary to implement the proposed bill.

STATE ACTION ON U. C. IN 1959 AS OF APRIL 8

The nation's jobless, told by President Eisenhower to look to their state legislatures for improvements in unemployment compensation, have been given scant hope for optimism by the legislatures, themselves.

With 46 of the 49 state legislatures meeting this year, only 12 have enacted any change in either the amount or duration of jobless pay.

The improvements that have been voted thus far, however, fall far short of even the minimum levels urged by the President in his repeated exhortation of the states to take action.

In most of the 12 states, the gains chalked up in the form of higher benefits or longer periods for receiving jobless aid have been offset, to some extent, by enactment of more rigid qualification requirements.

Four other state legislatures have wound up their 1959 sessions either with no action at all on long-overdue improvements, or with defeat of measures to provide some liberalization of existing programs.

Here is a state-by-state breakdown of the action taken in legislatures thus far:

ARKANSAS -- Raised minimum benefits from $7 to $10, and the maximum from $26 to $30; increased the maximum benefit period to 26 weeks.

COLORADO -- Boosted maximum benefits from $35 to $42 a week; extended maximum benefit period from 26 to 32.5 weeks.

GEORGIA -- Legislature adjourned without action.

IDAHO -- Enacted Temporary Employment Benefit program providing a formula for extending benefit period 50 percent when joblessness hits certain levels. No benefit improvements.

INDIANA -- Raised maximum benefits from $33 to $36; extended maximum benefit period from 20 to 26 weeks.

KANSAS -- Boosted minimum from $5 to $10, and maximum from $34 to $40; extended maximum benefit period from 20 to 26 weeks.

MONTANA -- Bill passed by legislature to liberalize benefits vetoed by Governor J. Hugo Aronson (R).

NORTH DAKOTA -- Raised maximum from $26 to $32, but eliminated dependents' allowances; extended period to flat 24 weeks.

SOUTH DAKOTA -- Raised benefits from $28 to $33; extended period from 20 to 24 weeks.

TENNESSEE -- Increased the amount of wages on which benefits are computed, which will result in slight rises in aid.

UTAH -- Maximum duration extended from 26 to 36 weeks.

VERMONT -- Maximum benefits raised from $28 to $36, and at 50% of average weekly wages after 1960; additional benefits for dependents up to $10.

WASHINGTON -- Raised maximum from $35 to $42; extended maximum period from 26 to 30 weeks.

NEW MEXICO -- Maximum benefits raised to $36, duration extended to 30 weeks.

WEST VIRGINIA - Senate Finance Committee bottled up House-passed measure calling for higher benefits, longer periods. Legislature adjourned without a vote in Senate.

WYOMING - - Legislature adjourned without action.

After ten weeks of legislative sessions, measures to improve jobless aid are still pending in Connecticut, Illinois, Nebraska, New Jersey, North Carolina, Ohio and Wisconsin.

The following states have further extended temporary duration:

Ohio to December 31, 1959; Illinois to June 30, 1959, or until state unemployment declines below 4.375%, whichever is later; Maryland to July 1, 1959.

TABLE I

Since 1952, 23 States Have Restricted the Weekly Benefit Amount Formula (under the Maximum) to a Smaller Proportion of Wages. Only 10 Have Liberalized it to a Larger Proportion.

States that have amended formula: *States that have acted to restrict formula	September 1952	September 1958
States now using high quarter formula:		
*Arizona	1/25 + dependents' allowance	1/25
*Arkansas	1/20 - 1/26	1/21 - 1/27
*California	1/19 - 1/23	1/17 - 1/28
District of Columbia	1/25 + d.a.	1/23 + d.a.
*Florida	1/18 - 1/26	1/22 - 1/26
Idaho	1/19 - 1/25	1/22 - 1/26
Illinois	1/20	1/20 + d.a.
Kentucky	2.3 - .85% annual wage	1/25
Maryland	1/26 + d.a.	1/24 + d.a.
*Massachusetts	1/20 + d.a.	1/19 - 1/30 + d.a.
Montana	1/22	1/18 - 1/22
*Nebraska	1/20 - 1/23	1/21 - 1/23
*Nevada	1/24 + d.a.	1/25 + d.a.
*Ohio	1/17 - 1/24 + d.a.	1/17 - 1/25 + d.a.
Oregon	3.75 - 1.37% annual wage	1/26
Pennsylvania	1/25	1/25 or 50% weekly wage, if greater
*South Carolina	1/20	1/22 - 1/26
*South Dakota	1/20 - 1/23	1/22 - 1/24
*Tennessee	1/21 - 1/26	1/24 - 1/26
*Utah	1/20	1/26
*Vermont	1/18 - 1/26	1/22 - 1/26
*Wyoming	1/20 + d.a.	1/25 + d.a.
States now using an annual wage formula:		
*Alaska	1/20 + d.a.	1.8 - 1.1% annual wage
Maine	2.3 - 0.85%	2.2 - 1.1%
Minnesota	3.3 - 0.91%	2.0 - 1.3%
*New Hampshire	2.3 - 1.27%	2.0 - 1.2%
*North Carolina	2.8 - 1.0%	2.0 - 1.1%
*West Virginia	2.7 - 1.0%	1.8 - 1.o%
States now using an average weekly wage formula:		
*Michigan	67 - 53% + d.a.	63 - 41% + d.a.
*New Jersey	1/23	2/3 up to $45; 2/5 above $45
*New York	67 - 52%	67 - 50%
*Wisconsin	68 - 51%	63 - 51%

Source: Adequacy of Benefits under Unemployment Insurance, October 1958
BES, U.S. Department of Labor

TABLE II

Weekly benefit amount payable for different average weekly wages y/, September 1949

Average weekly wage	Alabama		Alaska		Arizona		California		Colorado		Connecticut	
	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount y/	Percent of average weekly wage	Weekly benefit amount y/	Percent of average weekly wage
$ 0	$ 10	100	$ 10	100	$ 10	100	$ 10	100	$ 10	100	$ 10	100
20	20	100	20	100	20	100	20	100	20	100	20	100
30	30	100	30	100	30	100	30	100	30	100	30	100
40	40	100	40	100	40	100	40	100	40	100	40	100
50	50	100	50	100	50	100	50	100	50	100	50	100
60	60	100	60	100	60	100	60	100	60	100	60	100
70	70	100	70	100	70	100	70	100	70	100	70	100
80	80	100	80	100	80	100	80	100	80	100	80	100
90	90	100	90	100	90	100	90	100	90	100	90	100
100	100	100	100	100	100	100	100	100	100	100	100	100
110	100	91	100	91	100	91	100	91	100	91	100	91
120	100	83	100	83	100	83	100	83	100	83	100	83
130	100	77	100	77	100	77	100	77	100	77	100	77
140	100	71	100	71	100	71	100	71	100	71	100	71
150	100	67	100	67	100	67	100	67	100	67	100	67
160	100	63	100	63	100	63	100	63	100	63	100	63
170	100	59	100	59	100	59	100	59	100	59	100	59
180	100	56	100	56	100	56	100	56	100	56	100	56
190	100	53	100	53	100	53	100	53	100	53	100	53
200	100	50	100	50	100	50	100	50	100	50	100	50
210	100	48	100	48	100	48	100	48	100	48	100	48
220	100	45	100	45	100	45	100	45	100	45	100	45
230	100	43	100	43	100	43	100	43	100	43	100	43
240	100	42	100	42	100	42	100	42	100	42	100	42
250	100	40	100	40	100	40	100	40	100	40	100	40
260	100	38	100	38	100	38	100	38	100	38	100	38
270	100	37	100	37	100	37	100	37	100	37	100	37
280	100	36	100	36	100	36	100	36	100	36	100	36
290	100	34	100	34	100	34	100	34	100	34	100	34
300	100	33	100	33	100	33	100	33	100	33	100	33

Average weekly wage	Delaware		District of Col.		Florida		Georgia		Hawaii		Idaho	
	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount y/	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage
$ 0	$ 10	100	$ 10	100	$ 10	100	$ 10	100	$ 10	100	$ 17	170
20	20	100	20	100	20	100	20	100	20	100	20	100
30	30	100	30	100	30	100	30	100	30	100	30	100
40	40	100	40	100	40	100	40	100	40	100	40	100
50	50	100	50	100	50	100	50	100	50	100	50	100
60	60	100	60	100	60	100	60	100	60	100	60	100
70	70	100	70	100	70	100	70	100	70	100	70	100
80	80	100	80	100	80	100	80	100	80	100	80	100
90	90	100	90	100	90	100	90	100	90	100	90	100
100	100	100	100	100	100	100	100	100	100	100	100	100
110	100	91	100	91	100	91	100	91	100	91	100	91
120	100	83	100	83	100	83	100	83	100	83	100	83
130	100	77	100	77	100	77	100	77	100	77	100	77
140	100	71	100	71	100	71	100	71	100	71	100	71
150	100	67	100	67	100	67	100	67	100	67	100	67
160	100	63	100	63	100	63	100	63	100	63	100	63
170	100	59	100	59	100	59	100	59	100	59	100	59
180	100	56	100	56	100	56	100	56	100	56	100	56
190	100	53	100	53	100	53	100	53	100	53	100	53
200	100	50	100	50	100	50	100	50	100	50	100	50
210	100	48	100	48	100	48	100	48	100	48	100	48
220	100	45	100	45	100	45	100	45	100	45	100	45
230	100	43	100	43	100	43	100	43	100	43	100	43
240	100	42	100	42	100	42	100	42	100	42	100	42
250	100	40	100	40	100	40	100	40	100	40	100	40
260	100	38	100	38	100	38	100	38	100	38	100	38
270	100	37	100	37	100	37	100	37	100	37	100	37
280	100	36	100	36	100	36	100	36	100	36	100	36
290	100	34	100	34	100	34	100	34	100	34	100	34
300	100	33	100	33	100	33	100	33	100	33	100	33

Average weekly wage	Illinois		Indiana		Iowa		Kansas		Kentucky		Louisiana	
	Weekly benefit amount y/	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage
$ 0	$ 10	100	$ 10	100	$ 10	100	$ 10	100	$ 10	100	$ 10	100
20	20	100	20	100	20	100	20	100	20	100	20	100
30	30	100	30	100	30	100	30	100	30	100	30	100
40	40	100	40	100	40	100	40	100	40	100	40	100
50	50	100	50	100	50	100	50	100	50	100	50	100
60	60	100	60	100	60	100	60	100	60	100	60	100
70	70	100	70	100	70	100	70	100	70	100	70	100
80	80	100	80	100	80	100	80	100	80	100	80	100
90	90	100	90	100	90	100	90	100	90	100	90	100
100	100	100	100	100	100	100	100	100	100	100	100	100
110	100	91	100	91	100	91	100	91	100	91	100	91
120	100	83	100	83	100	83	100	83	100	83	100	83
130	100	77	100	77	100	77	100	77	100	77	100	77
140	100	71	100	71	100	71	100	71	100	71	100	71
150	100	67	100	67	100	67	100	67	100	67	100	67
160	100	63	100	63	100	63	100	63	100	63	100	63
170	100	59	100	59	100	59	100	59	100	59	100	59
180	100	56	100	56	100	56	100	56	100	56	100	56
190	100	53	100	53	100	53	100	53	100	53	100	53
200	100	50	100	50	100	50	100	50	100	50	100	50
210	100	48	100	48	100	48	100	48	100	48	100	48
220	100	45	100	45	100	45	100	45	100	45	100	45
230	100	43	100	43	100	43	100	43	100	43	100	43
240	100	42	100	42	100	42	100	42	100	42	100	42
250	100	40	100	40	100	40	100	40	100	40	100	40
260	100	38	100	38	100	38	100	38	100	38	100	38
270	100	37	100	37	100	37	100	37	100	37	100	37
280	100	36	100	36	100	36	100	36	100	36	100	36
290	100	34	100	34	100	34	100	34	100	34	100	34
300	100	33	100	33	100	33	100	33	100	33	100	33

Average weekly wage	Maine		Maryland		Massachusetts		Michigan		Minnesota		Mississippi	
	Weekly benefit amount y/	Percent of average weekly wage	Weekly benefit amount y/	Percent of average weekly wage	Weekly benefit amount y/	Percent of average weekly wage	Weekly benefit amount y/	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage
$ 0	$ 10	100	$ 10	100	$ 10	100	$ 10	100	$ 10	100	$ 10	100
20	20	100	20	100	20	100	20	100	20	100	20	100
30	30	100	30	100	30	100	30	100	30	100	30	100
40	40	100	40	100	40	100	40	100	40	100	40	100
50	50	100	50	100	50	100	50	100	50	100	50	100
60	60	100	60	100	60	100	60	100	60	100	60	100
70	70	100	70	100	70	100	70	100	70	100	70	100
80	80	100	80	100	80	100	80	100	80	100	80	100
90	90	100	90	100	90	100	90	100	90	100	90	100
100	100	100	100	100	100	100	100	100	100	100	100	100
110	100	91	100	91	100	91	100	91	100	91	100	91
120	100	83	100	83	100	83	100	83	100	83	100	83
130	100	77	100	77	100	77	100	77	100	77	100	77
140	100	71	100	71	100	71	100	71	100	71	100	71
150	100	67	100	67	100	67	100	67	100	67	100	67
160	100	63	100	63	100	63	100	63	100	63	100	63
170	100	59	100	59	100	59	100	59	100	59	100	59
180	100	56	100	56	100	56	100	56	100	56	100	56
190	100	53	100	53	100	53	100	53	100	53	100	53
200	100	50	100	50	100	50	100	50	100	50	100	50
210	100	48	100	48	100	48	100	48	100	48	100	48
220	100	45	100	45	100	45	100	45	100	45	100	45
230	100	43	100	43	100	43	100	43	100	43	100	43
240	100	42	100	42	100	42	100	42	100	42	100	42
250	100	40	100	40	100	40	100	40	100	40	100	40
260	100	38	100	38	100	38	100	38	100	38	100	38
270	100	37	100	37	100	37	100	37	100	37	100	37
280	100	36	100	36	100	36	100	36	100	36	100	36
290	100	34	100	34	100	34	100	34	100	34	100	34
300	100	33	100	33	100	33	100	33	100	33	100	33

y/ Minimum or max. of rate.

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Table B-8.—Weekly benefit amount payable for different average weekly wages 1/, September 1958—Continued

Average weekly wage	Nebraska		Nevada		New Jersey		New Mexico		New York		North Dakota	
	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount 2/	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount 2/	Percent of average weekly wage
$ 30	$ 18	60%	$16 - 24	53 - 80%	$ 20	67%	$ 15	50%	$ 19	63%	$ 17 - 23	57 - 77%
40	22	55	21 - 32	52 - 80	27	68	20	50	24	60	22 - 30	55 - 75
50	28	56	26 - 39	52 - 78	32	64	25	50	28	56	26 - 35	52 - 70
60	32	53	32 - 48	53 - 80	35	58	30	50	32	53	26 - 35	43 - 58
70	32	46	36.50 - 55.00	52 - 79	35	50	30	43	36	51	26 - 35	37 - 50
80	32	38	37.50 - 57.50	47 - 72	35	44	30	38	40	50	26 - 35	32 - 44
90	32	36	37.50 - 57.50	42 - 64	35	39	30	33	45	50	26 - 35	29 - 39
100	32	32	37.50 - 57.50	38 - 58	35	35	30	30	45	45	26 - 35	26 - 35
110	32	29	37.50 - 57.50	34 - 52	35	32	30	27	45	41	26 - 35	24 - 32
120	32	27	37.50 - 57.50	31 - 48	35	29	30	25	45	38	26 - 35	22 - 29

Average weekly wage	Ohio		Oklahoma		Oregon		Pennsylvania		Rhode Island		South Carolina	
	Weekly benefit amount 2/	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage
$ 30	$ 18 - 24	60 - 80%	$ 20	67%	$ 15	50%	$ 16	53%	$ 20	67%	$ 17	57%
40	22 - 28	55 - 70	26	65	20	50	21	52	26	65	21	52
50	27 - 33	54 - 66	28	56	25	50	27	54	30	60	25	50
60	31 - 37	52 - 62	28	47	30	50	31	52	30	50	26	43
70	33 - 39	47 - 56	28	40	35	50	35	50	30	43	26	37
80	33 - 39	41 - 49	28	35	40	50	35	44	30	38	26	32
90	33 - 39	37 - 43	28	31	40	44	35	39	30	33	26	29
100	33 - 39	33 - 39	28	28	40	40	35	35	30	30	26	26
110	33 - 39	30 - 35	28	25	40	36	35	32	30	27	26	24
120	33 - 39	28 - 32	28	23	40	33	35	29	30	25	26	22

Average weekly wage	South Dakota		Tennessee		Texas		Utah		Vermont		Virginia	
	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount	Percent of average weekly wage
$ 30	$ 17	57%	$ 15	50%	$ 15	50%	$ 16	53%	$ 16	53%	$ 16	53%
40	22	55	20	50	20	50	21	52	20	50	21	52
50	28	56	25	50	25	50	26	52	25	50	26	52
60	28	47	30	50	28	47	31	52	28	47	28	47
70	28	40	30	43	28	40	36	51	28	40	28	40
80	28	35	30	38	28	35	39	49	28	35	28	35
90	28	31	30	33	28	31	39	43	28	31	28	31
100	28	28	30	30	28	28	39	39	28	28	28	28
110	28	25	30	27	28	25	39	35	28	25	28	25
120	28	23	30	25	28	23	39	32	28	23	28	23

Average weekly wage	Wisconsin		Wyoming	
	Weekly benefit amount	Percent of average weekly wage	Weekly benefit amount 2/	Percent of average weekly wage
$ 30	$ 16	53%	$16 - 22	53 - 73%
40	20	50	21 - 27	52 - 68
50	25	50	26 - 32	52 - 64
60	30	50	32 - 38	53 - 63
70	35	50	37 - 43	53 - 61
80	40	50	42 - 48	52 - 60
90	42	47	43 - 49	48 - 54
100	42	42	43 - 49	43 - 49
110	42	38	43 - 49	39 - 45
120	42	35	43 - 49	36 - 41

1/ In States that base benefits on earnings in the quarter of highest earnings, the benefit was computed on the assumption of 13 weeks of employment in the quarter at the average weekly wage.
2/ Where 2 amounts are shown, the higher includes dependents' allowance. In Massachusetts, weekly benefit including dependents allowance may not exceed average weekly wage (1/26 of claimant's 2 highest quarters' wages or 1/13 of high-quarter wages if claimant has wages in only 2 quarters).
3/ In Colorado, claimants who received no benefits and had specified employment and earnings over a 5-year period are eligible for a 25-percent increase in the weekly benefit amount shown.
4/ In the District of Columbia, same maximum with or without dependents.

Source: BES, U.S. Department of Labor

TABLE III

State Maximum Benefit Amounts Relative to Wages, 1939, and October 1, 1958

State	Maximum weekly benefit as a percent of average weekly wages 1958	1939
Alabama	40	87
Alaska	34	41
Arizona	42	61
Arkansas	45	95
California	43	50
Colorado	42	62
Connecticut	45	56
Delaware	43	58
Washington, D.C.	37	59
Florida	42	81
Georgia	46	87
Hawaii	54	85
Idaho	53	82
Illinois	32	56
Indiana	37	58
Iowa	39	67
Kansas	43	66
Kentucky	46	69
Louisiana	46	90
Maine	48	74
Maryland	45	65
Massachusetts	45	57
Michigan	30	53
Minnesota	47	62
Mississippi	52	97
Missouri	41	61
Montana	41	60
Nebraska	44	66
Nevada	41	57
New Hampshire	46	70
New Jersey	39	55
New Mexico	38	73
New York	49	51
North Carolina	52	89
North Dakota	37	69
Ohio	36	54
Oklahoma	36	61
Oregon	47	53
Pennsylvania	43	60
Rhode Island	42	70
South Carolina	44	99
South Dakota	41	69
Tennessee	43	78
Texas	36	65
Utah	50	70
Vermont	40	66
Virginia	41	74
Washington	40	57
West Virginia	35	59
Wisconsin	49	55
Wyoming	56	78

Source: BES, U.S. Department of Labor

TABLE IV

Distribution of States and of employed covered workers by maximum weekly benefit amount as percent of average weekly wage in covered employment, September 1952 & 1958.

Maximum Weekly Benefit Amount as Percent of Average Weekly Wages:1/	September 1952		September 1958	
	No. of States	Percent of Covered Workers	No. of States	Percent of Covered Workers 2/
Total	51	100	51	100
Under 30%	1	0.1	0	0
30-34	4	5.3	3	11.3
35-39	14	31.9	10	21.7
40-44	22	46.4	19	33.1
45-49	7	13.3	13	29.9
50-54	1	.4	5	3.8
55-59	0	0	1	.2
60 & over	2	2.6	0	0

1/ Based on State-wide average weekly wage in covered employment in the calendar year preceding the date for which distribution is given.

2/ Based on average monthly covered employment in 1957.

Source: BES, U.S. Department of Labor

TABLE V

Maximum weekly benefit amount and ratio to average weekly wages in covered employment, December 1951 and December 1953

State	1951			1953		
	Maximum basic w.b.a. Dec. 1951	Average weekly wages 1950	Maximum as % of weekly wages 1/	Maximum basic w.b.a. Dec. 1953	Average weekly wages 1952	Maximum as % of weekly wages 1/
Alabama	$22.00	$48.62	45.2	$22.00	$55.84	39.4
Alaska	30.00	92.31	32.5	35.00	119.08	29.4
Arizona	20.00	58.63	34.1	20.00	68.62	29.1
Arkansas	22.00	41.70	52.8	22.00	48.85	45.0
California	25.00	65.57	38.1	25.00	75.04	33.3
Colorado	22.75	57.35	39.7	28.00	67.39	41.5
Connecticut	24.00	62.39	38.5	30.00	72.81	41.2
Delaware	25.00	62.51	40.0	25.00	71.68	34.9
District of Columbia	20.00	57.93	34.5	20.00	65.28	30.6
Florida	20.00	50.22	39.8	20.00	56.89	35.2
Georgia	20.00	47.38	42.2	26.00	53.37	48.7
Hawaii	25.00	51.77	48.3	25.00	56.45	44.3
Idaho	25.00	54.60	45.8	25.00	63.48	39.4
Illinois	25.00	66.88	37.4	27.00	76.33	35.4
Indiana	27.00	63.50	42.5	27.00	73.07	37.0
Iowa	26.00	56.27	46.2	26.00	64.05	40.6
Kansas	28.00	56.65	49.4	28.00	67.45	41.5
Kentucky	24.00	52.29	45.9	28.00	62.13	45.1
Louisiana	25.00	50.68	49.3	25.00	59.09	42.3
Maine	25.00	51.02	49.0	27.00	57.90	46.6
Maryland	25.00	53.73	46.5	30.00	61.15	49.1
Massachusetts	25.00	55.74	44.9	25.00	62.71	39.9
Michigan	27.00	71.89	37.6	27.00	83.33	32.4
Minnesota	25.00	57.70	43.3	30.00	66.37	45.2
Mississippi	20.00	41.76	47.9	30.00	47.81	62.7
Missouri	25.00	58.12	43.0	25.00	66.56	37.6
Montana	20.00	55.45	36.1	23.00	64.52	35.6
Nebraska	24.00	53.93	44.5	26.00	60.93	42.7
Nevada	25.00	63.62	39.3	30.00	74.35	40.3
New Hampshire	28.00	49.82	56.2	30.00	56.58	52.7
New Jersey	26.00	64.44	40.3	30.00	74.36	40.3
New Mexico	25.00	53.36	46.9	30.00	63.06	47.6
New York	30.00	66.86	44.9	30.00	74.31	40.4
North Carolina	30.00	46.80	64.1	30.00	51.90	57.8
North Dakota	25.00	54.00	46.3	26.00	61.96	42.0
Ohio	25.00	63.61	39.3	30.00	74.57	40.2
Oklahoma	22.00	57.38	38.3	28.00	66.51	42.1
Oregon	25.00	64.37	38.8	25.00	73.47	34.0
Pennsylvania	30.00	57.03	52.6	30.00	66.08	45.4
Rhode Island	25.00	55.25	45.2	25.00	62.67	39.9
South Carolina	20.00	45.09	44.4	20.00	55.18	36.2
South Dakota	22.00	53.13	41.4	25.00	59.32	42.1
Tennessee	22.00	50.20	43.8	26.00	57.09	45.5
Texas	20.00	56.40	35.5	20.00	65.47	30.5
Utah	27.50	55.54	49.5	27.50	63.58	43.3
Vermont	25.00	51.57	48.5	25.00	60.61	41.2
Virginia	20.00	50.17	39.9	22.00	57.32	38.4
Washington	30.00	63.37	47.3	30.00	72.52	41.4
West Virginia	25.00	58.78	42.5	30.00	68.33	43.9
Wisconsin	30.00	61.90	43.5	33.00	71.50	46.2
Wyoming	25.00	56.47	44.3	30.00	64.15	46.8

1/ Based on average weekly wages in covered employment for calendar years 1950 and 1952 respectively.

U. S. Department of Labor
Bureau of Employment Security
Unemployment Insurance Service
Washington, D. C.
December 10, 1957

TABLE V (cont'd)

Maximum weekly benefit amount and ratio to average weekly wages in covered employment, December 1955 and December 1957 and percentage change in ratio to weekly wage from 1951 to 1957

State	1955			1957			Percentage change in ratios from 1951 to 1957	
	Maximum basic wba Dec. 1955	Average weekly wages 1954	Maximum as percent of weekly wages 1/	Maximum basic wba Dec. 1957	Average weekly wages 1956	Maximum as percent of weekly wages 1/	Increase	Decrease
Alabama	$25.00	$59.95	41.7	$28.00	$65.07	43.0	---	- 4.9
Alaska	2/ 45.00	121.08	37.2	2/ 45.00	137.90	32.6	+.3	---
Arizona	30.00	73.76	40.7	30.00	81.32	36.9	+8.2	---
Arkansas	26.00	51.60	50.4	26.00	55.27	47.0	---	-11.0
California	33.00	81.21	40.6	40.00	89.54	44.7	+17.3	---
Colorado	28.00	73.53	38.1	35.00	79.62	44.0	+10.8	---
Connecticut	35.00	77.16	45.4	40.00	85.71	46.7	+21.3	---
Delaware	35.00	78.72	44.5	35.00	90.37	38.7	---	-3.2
District of Columbia	30.00	70.82	42.4	30.00	77.41	38.8	+12.5	---
Florida	26.00	62.61	41.5	30.00	67.42	44.5	+11.8	---
Georgia	26.00	57.77	45.0	30.00	62.77	47.8	+13.3	---
Hawaii	35.00	58.58	59.7	35.00	61.58	56.8	+17.6	---
Idaho	30.00	66.25	45.3	40.00	72.83	54.9	+19.9	---
Illinois	28.00	82.62	33.9	30.00	90.32	33.2	---	-11.2
Indiana	30.00	78.02	38.5	33.00	84.90	38.9	---	- 8.5
Iowa	30.00	69.05	43.4	30.00	74.03	40.5	---	-12.3
Kansas	32.00	73.27	43.7	34.00	76.05	44.7	---	-9.5
Kentucky	28.00	66.09	42.4	32.00	71.34	44.9	---	-2.2
Louisiana	25.00	64.74	38.6	25.00	71.75	34.8	---	-29.4
Maine	30.00	61.61	48.7	33.00	66.39	49.7	+1.4	---
Maryland	30.00	66.31	45.2	35.00	73.99	47.3	+1.7	---
Massachusetts	25.00	67.59	37.0	35.00	74.57	46.9	+4.5	---
Michigan	30.00	90.46	33.2	30.00	97.26	30.8	---	-18.1
Minnesota	33.00	72.15	45.7	38.00	79.28	47.9	+10.6	---
Mississippi	30.00	51.78	57.9	30.00	55.16	54.4	+13.6	---
Missouri	25.00	72.67	34.4	33.00	77.86	42.4	---	-1.4
Montana	28.00	67.61	38.5	32.00	75.33	42.5	+17.7	---
Nebraska	28.00	67.10	41.7	32.00	70.48	45.4	+2.0	---
Nevada	30.00	80.13	37.4	37.50	86.15	43.5	+10.7	---
New Hampshire	32.00	60.90	52.5	32.00	66.87	47.9	---	-14.8
New Jersey	35.00	79.75	43.9	35.00	87.24	40.1	---	- .5
New Mexico	30.00	66.98	44.8	30.00	73.78	40.7	---	-13.2
New York	36.00	81.42	44.2	36.00	88.50	40.7	---	-9.4
North Carolina	30.00	54.54	55.0	32.00	59.65	53.6	---	-16.4
North Dakota	26.00	67.56	38.5	26.00	68.16	38.1	---	-17.7
Ohio	33.00	79.98	41.3	33.00	88.92	37.1	---	-5.6
Oklahoma	28.00	71.67	39.1	28.00	75.74	37.0	---	-3.4
Oregon	35.00	77.80	45.0	40.00	83.54	47.9	+23.5	---
Pennsylvania	35.00	70.45	49.7	35.00	78.32	44.7	---	-15.0
Rhode Island	30.00	65.58	45.7	30.00	69.65	43.1	---	-4.6
South Carolina	26.00	55.18	47.1	26.00	58.14	44.7	+.7	---
South Dakota	25.00	63.98	39.1	28.00	66.98	41.8	+1.0	---
Tennessee	30.00	62.53	48.0	30.00	66.29	45.3	+3.4	---
Texas	28.00	70.81	39.5	28.00	75.32	37.2	+4.8	---
Utah	33.00	65.22	49.8	2/ 37.00	73.89	50.1	+1.2	---
Vermont	28.00	63.03	44.4	28.00	68.09	41.1	---	-15.3
Virginia	24.00	61.29	39.2	28.00	66.22	42.3	+6.0	---
Washington	35.00	78.11	44.8	35.00	84.08	41.6	---	-12.0
West Virginia	30.00	73.22	41.0	30.00	81.75	36.7	---	-13.6
Wisconsin	36.00	76.10	47.3	38.00	83.37	45.6	---	-6.0
Wyoming	30.00	68.16	44.0	3/ 41.00	74.27	55.2	+24.6	---

1/ Based on average weekly wages in covered employment for calendar years 1954 and 1956 respectively.
2/ $25 for interstate claimants.
3/ Maximum benefit computed annually as a specified percentage of average weekly wage of covered workers.

U. S. Department of Labor
Bureau of Employment Security
Unemployment Insurance Service
December 10, 1957

TABLE VI

Proportion of new insured claimants[1/] eligible for the maximum basic weekly benefit amount[2/], 1957 and January-September 1958.

State	1957[3/]	January-September 1958[3/]
Total, 50 States	52%[4/]	53%[4/]
Alabama	50	51
Alaska	57	50
Arizona	66	63
Arkansas	34	40
California	56	43
Colorado	70	66
Connecticut	42	47
Delaware	59	53
District of Columbia	57	59
Florida	43	42
Georgia	33	38
Hawaii	32	33
Idaho	60	46
Illinois	84	83
Indiana	65	69
Iowa	69	70
Kansas	59	62
Kentucky	39	46
Louisiana	76	78
Maine	25	27
Maryland	52	52
Massachusetts	27	31
Michigan	(4/)	(4/)
Minnesota	41	43
Mississippi	21	25
Missouri	61	56
Montana	66	58
Nebraska	61	59
Nevada	70	62
New Hampshire	36	39
New Jersey	65	70
New Mexico	55	62
New York	45	37
North Carolina	12	17
North Dakota	75	78
Ohio	75	79
Oklahoma	69	71
Oregon	63	61
Pennsylvania	50	56
Rhode Island	70	68
South Carolina	35	42
South Dakota	70	69
Tennessee	33	36
Texas	54	61
Utah	56	61
Vermont	52	53
Virginia	42	49
Washington	52	52
West Virginia	46	54
Wisconsin	45[5/]	50[5/]
Wyoming	60	54

Notes:

1/ Represents claimants who established a benefit year.

2/ Excludes dependents' allowances.

3/ Includes claimants filing for benefits under unemployment compensation of Federal Employees.

4/ Excludes Michigan. Comparable data not avail.

5/ Represents data on a "per" employer basis and is not strictly comparable.

Source: BES, U.S. Department of Labor

TABLE VII

--The maximum basic weekly benefit amount required to yield a ratio of three-fifths and two-thirds of the average weekly wage in covered employment

State	Maximum basic weekly benefit amount, September 1958 1/	Average weekly wage in covered employment, 1957	Maximum weekly benefit amount required to yield a ratio to average weekly wages in covered employment of:	
			Three-fifths 2/	Two-thirds 2/
Alabama	$28	$69.22	$42	$46
Alaska	3/ 45	131.06	79	87
Arizona	35	83.20	50	55
Arkansas	26	57.81	35	39
California	40	93.39	56	62
Colorado	4/ 35	83.43	50	56
Connecticut	40	88.95	53	59
Delaware	40	93.51	56	62
Dist. of Columbia	30	80.20	48	53
Florida	30	71.22	43	47
Georgia	30	65.50	39	44
Hawaii	35	65.38	39	44
Idaho	40	75.26	45	50
Illinois	30	93.56	56	62
Indiana	33	88.19	53	59
Iowa	30	76.04	46	51
Kansas	34	79.29	48	53
Kentucky	34	74.14	44	49
Louisiana	35	76.53	46	51
Maine	33	68.67	41	46
Maryland	35	77.35	46	52
Massachusetts	35	77.75	47	52
Michigan	30	99.26	60	66
Minnesota	38	81.49	49	54
Mississippi	30	57.54	35	38
Missouri	33	80.52	48	54
Montana	32	76.13	46	51
Nebraska	32	72.35	43	48
Nevada	37.50	90.57	54	60
New Hampshire	32	69.11	41	46
New Jersey	35	90.74	54	60
New Mexico	30	78.16	47	52
New York	45	91.25	55	61
North Carolina	32	61.48	37	41
North Dakota	26	71.09	43	47
Ohio	33	92.21	55	61
Oklahoma	28	77.89	47	52
Oregon	40	84.47	51	56
Pennsylvania	35	82.26	49	55
Rhode Island	30	72.01	43	48
South Carolina	26	59.69	36	40
South Dakota	28	68.87	41	46
Tennessee	30	68.76	41	46
Texas	28	78.31	47	52
Utah	39	78.17	47	52
Vermont	28	69.66	42	46
Virginia	28	68.63	41	46
Washington	35	86.98	52	58
West Virginia	30	85.33	51	57
Wisconsin	5/ 42	85.58	51	57
Wyoming	43	76.71	46	51

1/ Excludes dependents' allowances.
2/ Rounded to the nearest multiple of $1.00.
3/ In Alaska the maximum for interstate claimants is $25.
4/ Maximum shown would be increased by 25 percent for claimants employed in Colorado by covered employers for 5 consecutive years with wages in excess of $1,000 per year and no benefits received.
5/ Maximum shown applies until July 18, 1959; thereafter, reverts to $38.

Source: BES, U.S. Department of Labor

TABLE VIII

State	Maximum benefit amount set at 2/3 of state average weekly wage	Maximum benefit amount at which only top 25% of wage earners qualify for the maximum
Alabama	$46	$48
Alaska	87	--
Arizona	55	61
Arkansas	39	45
California	62	64
Colorado	56	60
Connecticut	59	56
Delaware	62	63
Dist. of Columbia	53	48
Florida	47	50
Georgia	43	38
Hawaii	44	41
Idaho	50	67
Illinois	62	66
Indiana	59	62
Iowa	51	60
Kansas	53	56
Kentucky	49	--
Louisiana	51	49
Maine	46	--
Maryland	52	59
Massachusetts	52	55
Michigan	66	66
Minnesota	54	--
Mississippi	38	38
Missouri	54	52
Montana	52	55
Nebraska	48	52
Nevada	60	72
New Hampshire	46	--
New Jersey	61	53
New Mexico	52	64
New York	61	60
North Carolina	41	--
North Dakota	47	64
Ohio	61	62
Oklahoma	52	46
Oregon	56	68
Pennsylvania	55	62
Rhode Island	48	54
South Carolina	40	42
South Dakota	46	55
Tennessee	47	45
Texas	52	61
Utah	52	58
Vermont	46	49
Virginia	46	44
Washington	58	--
West Virginia	57	--
Wisconsin	57	--
Wyoming	51	57

Source: BES, U.S. Department of Labor

TABLE IX

—Exhaustions of benefits in calendar year as percent of first payments, 1952-1957

State	1952	1953	1954	1955 1/	1956 1/	1957 1/
Total, 51 States	20.3	20.8	26.8	26.2	22.1	23.5
Alabama	33.7	41.4	46.5	45.0	35.4	41.2
Alaska	27.0	19.7	16.8	27.1	19.7	27.5
Arizona	24.6	20.3	25.1	20.7	20.0	19.8
Arkansas	28.2	31.3	39.0	35.5	32.6	35.9
California	18.4	16.2	15.1	16.1	12.2	14.8
Colorado	16.9	22.9	28.3	25.0	22.5	23.8
Connecticut	14.4	8.6	17.1	20.8	19.1	26.4
Delaware	17.2	21.1	26.7	32.7	26.3	28.0
Dist. of Columbia	25.2	29.7	37.1	32.2	35.4	36.2
Florida	42.2	41.4	44.0	43.3	41.1	41.0
Georgia	30.0	33.8	36.5	40.4	34.5	35.6
Hawaii	18.6	21.1	27.0	22.9	19.5	17.5
Idaho	21.3	20.7	28.8	26.1	23.4	25.9
Illinois	15.2	16.6	20.9	22.3	19.9	25.5
Indiana	20.2	28.3	40.4	36.2	34.7	39.9
Iowa	25.9	32.1	39.7	36.1	34.4	33.8
Kansas	20.5	24.2	36.2	32.4	29.5	26.3
Kentucky	17.6	22.0	31.5	32.5	26.4	26.9
Louisiana	44.2	41.7	52.3	51.9	41.3	39.7
Maine	17.3	21.9	20.7	24.0	18.8	15.7
Maryland	16.5	19.0	22.0	24.5	19.2	13.5
Massachusetts	29.8	27.4	31.9	30.2	23.0	21.4
Michigan	16.0	19.5	27.3	19.8	25.3	23.7
Minnesota	20.5	20.9	26.1	25.6	21.1	22.4
Mississippi	32.1	34.7	43.4	39.5	28.5	29.8
Missouri	15.0	16.8	27.7	24.0	20.4	20.7
Montana	19.8	14.8	21.3	23.1	22.7	20.9
Nebraska	22.2	21.4	29.7	28.7	33.1	33.7
Nevada	13.9	14.1	21.5	19.4	20.6	20.6
New Hampshire	12.3	13.2	14.4	12.8	12.8	13.5
New Jersey	18.4	18.8	27.5	30.9	24.5	28.5
New Mexico	16.3	22.3	29.1	28.6	23.5	23.0
New York	18.5	11.9	16.0	14.6	11.2	12.1
North Carolina	17.0	21.7	20.7	23.4	17.7	19.2
North Dakota	14.3	17.6	21.5	26.6	25.2	21.5
Ohio	12.7	12.5	25.0	20.7	14.8	17.1
Oklahoma	39.0	38.3	43.2	40.7	39.9	38.1
Oregon	16.3	18.2	21.1	23.5	14.3	19.4
Pennsylvania	17.5	19.7	28.7	29.7	18.5	19.4
Rhode Island	33.0	28.6	36.9	30.0	31.0	32.2
South Carolina	34.4	35.2	44.7	44.3	34.9	35.7
South Dakota	26.2	26.2	32.7	36.3	35.9	37.1
Tennessee	28.3	25.7	34.4	35.0	35.6	37.6
Texas	35.9	36.0	40.7	38.9	35.7	39.1
Utah	14.0	16.4	20.5	20.1	18.2	21.4
Vermont	22.4	16.4	20.5	27.6	19.4	20.5
Virginia	34.5	39.1	32.5	36.1	34.3	35.7
Washington	14.9	17.8	18.7	24.0	21.7	19.6
West Virginia	14.0	18.8	31.5	31.6	13.9	16.1
Wisconsin	2/ 24.9	2/ 33.2	2/ 45.4	2/ 38.7	2/ 40.3	2/ 40.6
Wyoming	29.5	28.6	27.6	32.5	26.3	30.7

1/ Includes claimants exhausting benefits under the unemployment compensation program for Federal employees.

2/ Data are on a "per employer" basis and are, therefore, not strictly comparable.

Source: BES, U.S. Department of Labor

TABLE X

_____--Summary distribution of States and of employed covered workers by maximum weeks of benefits for total unemployment, as of September 1952 and 1958

Weeks of maximum duration	September 1952		September 1958	
	Number of States	Percent of covered workers	Number of States	Percent of covered workers 1/
Total	51	100.0	51	100.0
Uniform:				
16 weeks	1	.6	0	0
18 weeks	2	1.4	0	0
20 weeks	5	2.8	2/ 3	2.3
22 weeks	1	1.5	2	1.9
23 weeks	1	1.0	0	0
24 weeks	0	0	1	.9
26 weeks	4	16.1	6	17.2
30 weeks	0	0	1	7.7
Variable:				
16 weeks	3	3.6	1	2.0
18 weeks	0	0	2	2.4
20 weeks	3/ 12	14.7	5	5.7
22 weeks	1	9	1	1.0
23 weeks	1	4.1	0	0
24 weeks	3	6.7	3	5.9
25 weeks	2	1.7	0	0
26 weeks	14	42.7	3/ 24	49.5
26½ weeks	1	2.2	1	2.1
28 weeks	0	0	1	1.4

1/ Based on average monthly covered employment in 1957.
2/ Includes Georgia which provides a maximum of 22 weeks for individuals whose base-period wages equal 4 times their high-quarter wages.
3/ In Colorado claimants employed in Colorado by covered employers for 5 consecutive years with wages in excess of $1,000 per year and no benefits received may be eligible for 26 weeks duration.

Source: BES, U.S. Department of Labor

TABLE XI

Long Term Unemployment by Years and Months since 1954

Workers Unemployed 26 Weeks or Longer (in thousands)

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1958	309	353	401	585	605	689	872	972	888	811	735	
%	6.9	6.8	7.7	11.4	12.3	12.7	16.5	20.7	21.6	21.3	19.2	
1957	198	227	253	267	260	247	260	232	193	255	243	246
%	5.8	7.3	8.8	9.9	9.6	7.4	8.6	8.9	7.6	10.2	7.6	7.3
1956	270	283	281	231	222	175	213	233	209	211	204	247
%	9.4	9.7	9.9	9.0	8.5	6.0	7.5	10.6	10.5	11.1	8.3	10.0
1955	459	450	447	447	409	311	306	265	216	213	228	275
%	13.7	13.3	14.1	15.1	16.4	11.6	12.4	11.8	10.1	10.0	9.5	11.3
1954	157	160	267	307	375	293	339	400	383	391	352	376
%	5.1	4.4	7.2	8.9	11.3	8.8	10.1	12.3	12.4	14.3	12.2	13.2

Workers Unemployed 15 Weeks or Longer (in thousands)

1958	865	1148	1446	1886	1751	1620	1670	1650	1461	1392	1234	
%	19.3	22.2	27.8	36.8	35.7	29.8	31.6	35.1	35.5	36.6	32.2	
1957	500	617	663	706	637	508	494	470	456	523	523	626
%	15.4	19.8	23.0	26.2	23.5	15.2	16.4	18.0	17.8	20.9	16.4	18.6
1956	551	642	682	648	602	501	482	470	470	420	437	485
%	19.2	22.0	24.1	25.3	23.1	17.1	17.0	21.4	23.5	22.0	17.7	19.6
1955	874	974	1062	1111	879	648	586	460	458	451	423	498
%	26.1	28.8	32.4	37.5	25.3	24.2	23.7	20.6	21.3	21.2	17.6	20.5
1954	371	630	1008	1047	1047	859	849	858	834	797	731	707
%	12.0	17.2	27.1	30.2	31.7	25.7	25.4	26.4	26.9	29.1	25.3	24.9

Source: Bureau of Labor Statistics
U.S. Department of Labor

TABLE XII

Findings of Post-Exhaustion Studies, 1954-56

—Percentage distribution of exhaustees by labor market status two and four months following exhaustion, 17 States

State	Statutory maximum duration (weeks) 1/	Two months after exhaustion				Four months after exhaustion			
		Total	Employed	Unemployed	Withdrawn from labor force	Total	Employed	Unemployed	Withdrawn from labor force
		%	%	%	%	%	%	%	%
Arizona. . . .	26	100	31	54	15	100	38	44	18
Dist. of Col..	26	100	34	56	10	2/ 100	38	51	11
Florida. . . .	16	100	45	46	9	100	57	32	11
Idaho.	26	(3/)	—	—	—	2/ 100	56	26	18
Indiana. . . .	20	100	31	54	15	100	43	40	17
Maine.	23 U	(3/)	—	—	—	2/ 100	31	52	17
Minnesota. . .	26	100	33	55	12	(3/)	—	—	—
Nebraska . . .	20	100	43	44	13	100	48	38	14
New York . . .	26 U	100	40	35	25	100	46	29	25
North Carolina	26 U	100	26	67	7	100	35	57	8
Oregon	26	100	43	51	6	100	56	34	10
Rhode Island .	26	(3/)	—	—	—	100	50	23	27
Tennessee. . .	22 U	100	30	57	13	100	38	48	14
Texas.	24	(3/)	—	—	—	100	44	40	16
Utah	26	100	40	46	14	100	52	32	16
Washington . .	26	100	31	55	14	100	41	41	18
West Virginia.	24 U	100	34	57	9	100	43	45	12

1/ Maximum duration of benefits for total unemployment applicable at the beginning of the period surveyed in the study. "U" means uniform duration.
2/ In the District of Columbia, Idaho and Maine, data shown reflect labor market status 3 months after exhaustion.
3/ Information not available.

Source: BES, U.S. Department of Labor

TABLE XIII

—Average potential duration (in weeks) for claimants establishing benefit rights in calendar year, 1952-1957

State	1952	1953	1954	1955 1/	1956 1/	1957 1/
Total, 50 States 2/	22.0	3/ 22.1	3/ 22.4	22.7	23.0	23.4
Alabama	19.0	19.0	19.0	18.9	19.2	19.0
Alaska	19.2	20.8	23.9	24.9	25.2	25.0
Arizona	14.8	18.7	18.7	20.5	22.0	22.5
Arkansas	15.5	15.6	15.5	16.1	17.0	17.0
California	24.3	24.5	24.6	24.5	24.5	24.7
Colorado	18.3	18.1	18.1	18.0	18.1	19.9
Connecticut	22.1	22.8	23.4	23.0	22.5	22.5
Delaware	19.5	20.2	20.3	18.8	19.7	20.1
Dist. of Columbia	19.1	19.1	19.1	21.3	21.1	21.7
Florida	14.0	14.2	14.3	14.1	13.9	14.3
Georgia	20.0	20.0	20.0	20.0	20.2	20.4
Hawaii	20.0	20.0	20.0	20.0	20.0	20.0
Idaho	21.0	21.8	21.7	21.5	20.6	19.9
Illinois	21.9	22.1	22.4	21.7	22.2	22.0
Indiana	17.4	16.4	17.2	16.4	16.1	16.4
Iowa	16.1	15.5	15.2	15.2	17.0	17.1
Kansas	17.2	17.4	17.3	17.4	17.7	18.1
Kentucky	25.5	26.0	26.0	26.0	26.0	26.0
Louisiana	17.5	17.7	17.9	17.9	17.6	17.8
Maine	20.0	20.0	20.0	22.7	23.0	25.7
Maryland	19.7	19.9	20.9	19.7	19.5	25.1
Massachusetts	19.7	19.8	21.0	20.8	21.0	22.5
Michigan	19.1	18.8	21.3	22.8	22.8	23.0
Minnesota	21.7	22.3	23.7	23.5	22.6	23.6
Mississippi	16.0	16.0	16.0	16.0	17.8	20.0
Missouri	20.8	20.7	20.8	20.5	20.5	21.7
Montana	18.0	20.0	20.0	20.0	20.0	21.2
Nebraska	17.1	17.6	18.5	18.4	18.3	18.2
Nevada	22.0	22.3	21.9	22.2	22.2	22.2
New Hampshire	26.0	26.0	26.0	26.0	26.0	26.0
New Jersey	22.0	(3/)	3/ 23.7	23.7	23.5	23.6
New Mexico	22.3	22.4	21.8	21.6	21.3	21.7
New York	26.0	26.0	26.0	26.0	26.0	26.0
North Carolina	26.0	26.0	26.0	26.0	26.0	26.0
North Dakota	20.0	20.0	20.0	20.0	20.0	20.0
Ohio	25.5	25.5	25.6	25.5	25.5	25.6
Oklahoma	17.0	17.3	17.8	17.9	17.9	19.5
Oregon	22.7	22.8	22.7	23.0	23.8	22.8
Pennsylvania	23.9	23.9	24.0	26.4	30.0	30.0
Rhode Island	18.7	19.6	20.3	19.2	18.5	19.2
South Carolina	18.0	18.0	18.0	18.8	20.2	20.4
South Dakota	16.6	16.6	15.8	15.8	15.9	16.2
Tennessee	22.0	22.0	22.0	22.0	22.0	22.0
Texas	16.6	17.2	17.2	17.3	17.5	18.7
Utah	23.8	23.1	23.4	23.0	22.3	22.4
Vermont	20.0	20.0	20.0	26.0	26.0	26.0
Virginia	14.0	13.9	14.0	13.8	14.5	15.6
Washington	24.3	24.5	24.5	24.2	23.8	24.0
West Virginia	23.0	23.5	24.0	24.0	24.0	24.0
Wisconsin	(2/)	(2/)	(2/)	(2/)	(2/)	(2/)
Wyoming	14.2	16.5	15.6	18.4	18.5	19.3

1/ Includes claimants filing for benefits under the unemployment compensation program for Federal employees.
2/ Excludes Wisconsin; comparable data not available.
3/ Excludes data for New Jersey during all of 1953 and during January-September 1954; comparable data not available.

Source: BES, U.S. Department of Labor

TABLE XIV

—Average actual duration (in weeks) for beneficiaries, 1952-1957

State	1952	1953	1954	1955 1/	1956 1/	1957 1/
Total, 51 States	10.4	10.1	12.8	12.5	11.4	11.6
Alabama	11.4	12.1	13.4	13.2	11.2	11.3
Alaska	10.3	9.7	14.0	17.8	14.7	17.5
Arizona	7.8	8.7	10.2	9.9	10.4	9.7
Arkansas	9.4	9.3	10.7	10.2	10.0	10.7
California	12.2	11.4	12.1	12.2	11.0	10.9
Colorado	8.6	9.3	11.5	10.6	9.7	10.3
Connecticut	8.5	6.3	11.5	11.1	10.4	11.6
Delaware	8.4	7.9	11.6	12.6	8.5	10.3
Dist. of Columbia	10.4	10.7	12.3	13.4	12.6	12.6
Florida	9.5	9.2	9.8	9.6	9.1	9.0
Georgia	11.2	10.3	12.3	13.0	11.0	11.4
Hawaii	11.8	11.2	13.6	11.9	11.2	11.3
Idaho	9.6	10.9	12.3	11.4	10.7	10.5
Illinois	9.1	9.1	11.7	11.1	10.1	11.4
Indiana	7.3	7.1	11.3	10.2	9.3	9.8
Iowa	8.0	8.7	10.5	10.0	9.9	10.1
Kansas	8.0	8.7	11.8	11.0	10.2	10.0
Kentucky	12.2	13.0	16.8	17.6	14.4	14.6
Louisiana	13.6	12.6	14.5	15.3	13.2	13.2
Maine	9.4	9.7	10.9	11.4	10.3	11.2
Maryland	7.4	7.6	9.3	9.3	7.7	8.7
Massachusetts	11.5	10.0	12.7	12.0	10.2	11.4
Michigan	7.5	7.1	12.2	9.8	12.3	11.3
Minnesota	11.7	11.3	13.9	14.6	12.8	13.0
Mississippi	10.6	10.1	11.9	11.3	10.7	12.1
Missouri	9.5	8.2	11.8	11.3	9.4	9.5
Montana	9.8	10.8	10.9	11.5	11.6	11.7
Nebraska	8.5	8.9	11.3	10.9	11.3	11.7
Nevada	9.7	9.1	11.5	10.1	11.5	10.7
New Hampshire	11.4	10.6	12.3	11.0	10.9	10.9
New Jersey	10.2	10.7	14.4	15.0	12.9	13.4
New Mexico	10.3	10.6	12.7	12.5	11.0	10.9
New York	12.8	11.9	14.1	13.5	12.4	11.9
North Carolina	12.2	10.9	13.2	12.7	10.5	10.6
North Dakota	11.6	12.5	12.4	14.0	13.1	12.7
Ohio	10.2	9.2	14.0	13.4	11.3	10.9
Oklahoma	10.5	10.7	12.2	12.3	11.6	11.9
Oregon	9.3	10.4	12.6	11.4	10.9	12.0
Pennsylvania	10.1	9.8	14.1	14.0	13.5	13.7
Rhode Island	12.1	9.9	14.5	11.8	10.6	11.3
South Carolina	11.1	10.1	12.9	12.7	11.5	11.4
South Dakota	9.7	9.3	10.3	10.4	10.6	10.7
Tennessee	13.2	11.0	14.0	14.9	14.1	14.9
Texas	8.9	9.2	10.5	10.7	10.5	10.7
Utah	10.4	10.1	12.2	11.2	10.5	11.0
Vermont	10.6	9.1	11.1	16.6	12.2	12.1
Virginia	8.5	7.8	8.3	8.2	7.8	8.5
Washington	10.3	11.3	12.9	12.3	12.6	11.3
West Virginia	9.1	9.5	14.4	13.9	8.5	9.3
Wisconsin	2/ 8.5	2/ 8.2	2/ 11.8	2/ 9.9	2/ 9.3	2/ 9.3
Wyoming	7.1	7.2	10.7	10.7	9.1	10.1

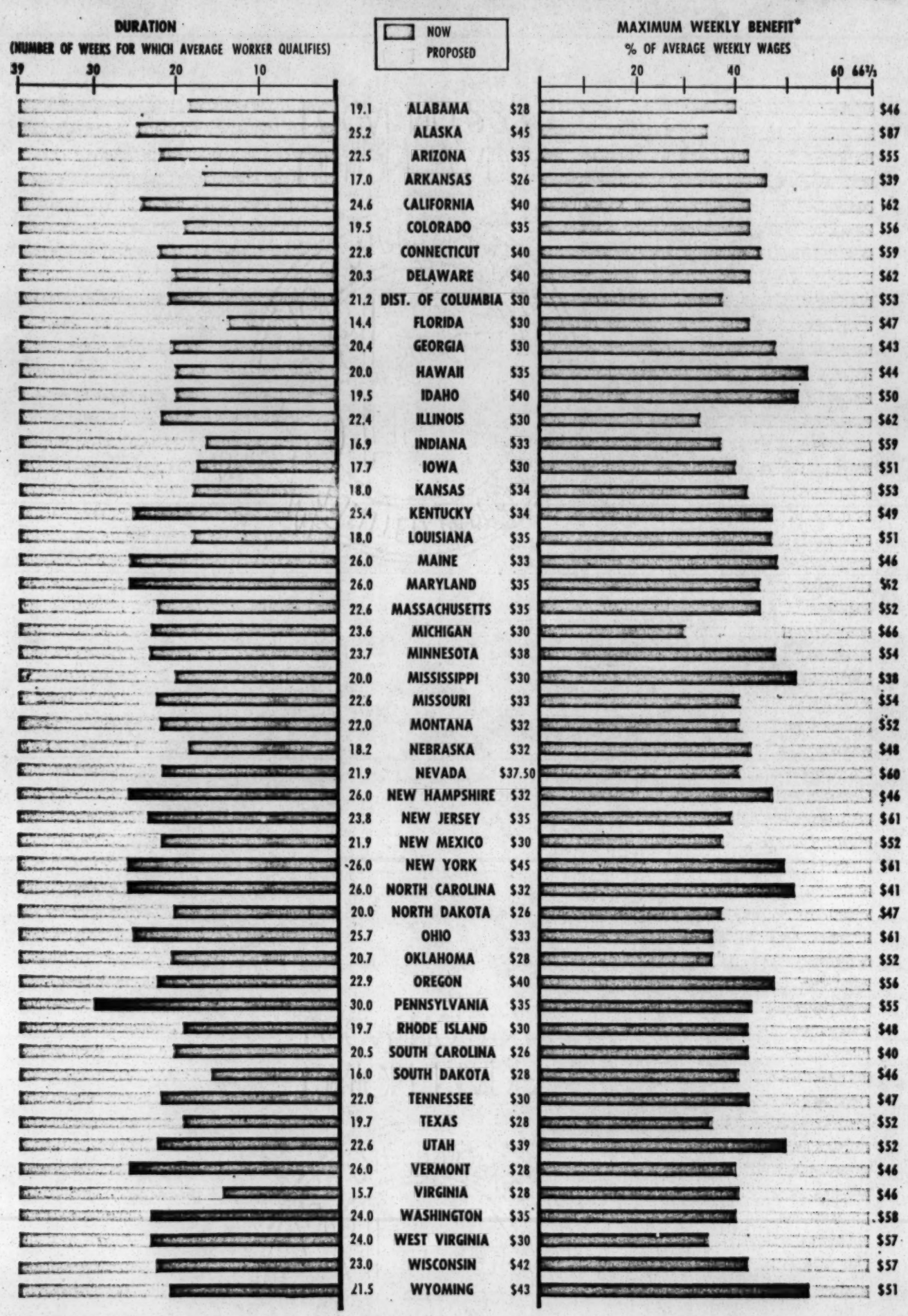
1/ Includes claimants receiving benefits under the unemployment compensation program for Federal employees.

2/ Data are on a "per employer" basis and are, therefore, not strictly comparable.

Source: BES, U.S. Department of Labor

TABLE XV

HOW CONGRESS CAN HELP THE UNEMPLOYED BY PASSING THE FEDERAL U. C. STANDARDS BILL



*Does not include dependent allowances. Nothing in the proposed Federal Standards Bill would prevent a state from continuing dependent allowances in addition to the basic maximum

TABLE XVI

Average employer contribution rate expressed as a percent of taxable wages and of total wages, 1938-57

Year	Number of States with experience rating	Rate as percent of taxable wages		Rate as percent of total wages	
		All States	All experience-rating States	All States	All experience-rating States
1938	1	2.75	2.74	2.69	2.74
1939	1	2.72	2.09	2.66	2.09
1940	4	2.69	1.39	2.50	1.31
1941	17	2.58	2.18	2.37	2.03
1942	34	2.19	1.82	1.98	1.66
1943)	40	2.09	1.78	1.86	1.65
1944) 1/	42	1.92	1.59	1.67	1.52
1945)	45	1.71	1.56	1.50	1.47
1946)	45	1.43	1.07	1.24	1.20
1947	50	1.41	1.40	1.19	1.19
1948	51	1.24	1.24	1.01	1.01
1949	51	1.31	1.31	1.07	1.07
1950	51	1.50	1.49	1.18	1.18
1951	51	1.58	1.58	1.20	1.20
1952	51	1.45	1.45	1.08	1.08
1953	51	1.30	1.30	.93	.93
1954	51	1.12	1.12	.79	.79
1955	50	1.18	1.18	.81	.80
1956	50	1.32	1.32	.88	.88
1957	50	1.31	1.31	.85	.85
1958 2/	50	1.4	1.4	.9	.9

1/ Rates include effect of war-risk contributions.

2/ Estimated.

Division of Actuarial
& Financial Services
BES, U.S. Dept. of Labor
September 29, 1958

TABLE XVII

Average Employer Contribution Rate, by State, 1957-1958
(rates expressed as percent of taxable wages)

State	1957 (actual)	1958 (estimated)	State	1957 (actual)	1958 (estimated)
UNITED STATES (51 States)	1.31	1.4	Missouri	.98	1.0
			Montana	1.22	1.3
			Nebraska	.95	.8
Alabama	1.03	1.0	Nevada	1.98	2.2
Alaska	2.70	2.7	New Hampshire	1.58	1.6
Arizona	1.33	1.3			
Arkansas	1.14	1.1	New Jersey	1.73	1.9
California	1.34	1.4	New Mexico	1.17	1.2
			New York	1.77	1.6
Colorado	.68	.6	North Carolina	1.45	1.5
Connecticut	1.19	1.2	North Dakota	1.51	1.3
Delaware	.65	.7			
D.C.	.71	.7	Ohio	.72	.7
Florida	.64	.8	Oklahoma	.79	.9
			Oregon	1.43	2.5
Georgia	1.22	1.2	Pennsylvania	1.55	2.1
Hawaii	1.02	1.0	Rhode Island	2.70	2.7
Idaho	1.34	1.3			
Illinois	1.00	.8	South Carolina	1.18	1.2
Indiana	1.02	1.1	South Dakota	.96	1.0
			Tennessee	1.75	1.8
Iowa	.70	.8	Texas	.63	.6
Kansas	1.08	1.1	Utah	1.31	1.3
Kentucky	1.95	2.0			
Louisiana	1.43	1.1	Vermont	1.32	1.2
Maine	1.58	1.6	Virginia	.53	.4
			Washington	2.11	2.7
Maryland	1.00	1.1	West Virginia	1.14	1.2
Massachusetts	1.55	1.7	Wisconsin	1.10	1.1
Michigan	2.04	2.3	Wyoming	1.12	1.1
Minnesota	.68	.8			
Mississippi	1.65	1.6			

Source: BES, U.S. Department of Labor

TABLE XVIII

Percentage distribution of active accounts eligible for rate modification, by contribution rate, and type of experience-rating plan, rate years beginning in 1957

Type of plan and State 1/	Total number of active accounts 2/	Active accounts eligible for rate modification							
		Number	Percent of all active accounts	Percentage distribution by employer contribution rate					
				Below standard rate				At standard rate	Above standard rate
				0.0	0.1-0.9	1.0-1.8	1.9-2.6	2.7	2.75-4.5
Total, 49 States 3/	1,909,274	1,309,025	68.6	6.0	43.4	21.6	11.6	12.7	4.6
Reserve-ratio plan	1,195,201	833,228	69.7	8.7	41.2	23.2	7.4	16.8	2.7
Arizona 4/ 5/	11,339	7,869	66.5	--	53.5	34.3	5.2	7.0	--
Arkansas 5/	30,550	21,496	70.4	--	70.1	15.6	8.1	6.3	--
California	262,662	166,353	63.3	21.2	29.1	19.8	8.8	21.0	--
Colorado 5/	13,135	6,336	48.2	94.4	2.9	--	--	2.7	--
District of Columbia	18,677	14,725	78.8	--	78.9	8.4	1.6	11.2	--
Georgia 4/	25,866	14,080	54.4	--	48.8	30.0	14.3	7.0	--
Hawaii 5/	8,839	7,507	84.9	52.7	17.7	7.9	2.3	19.4	--
Idaho	13,182	9,504	72.1	--	54.6	20.4	21.2	3.8	--
Indiana 5/	32,410	15,667	48.3	--	67.4	20.6	3.8	8.1	--
Iowa 5/	19,753	9,887	50.1	50.5	41.1	--	--	8.3	--
Kansas	13,600	8,641	55.4	8.1	74.7	9.6	2.0	5.7	--
Kentucky 5/	19,727	16,411	83.2	19.2	16.4	12.7	--	41.6	10.1
Louisiana	23,094	16,745	72.5	--	56.2	17.4	5.7	20.7	--
Maine 5/	8,298	4,054	48.9	--	43.4	39.3	5.6	11.7	--
Massachusetts	103,736	95,991	92.5	--	36.2	18.4	12.6	32.8	--
Michigan 5/	46,832	26,327	56.2	--	--	69.2	10.0	--	20.8
Missouri 5/	32,163	16,586	51.6	28.2	41.9	20.6	4.1	--	5.2
Nebraska 5/	10,896	6,289	57.7	--	76.4	11.1	3.3	9.2	--
Nevada	5,835	3,471	59.5	--	30.7	42.1	11.6	15.6	--
New Hampshire	6,130	5,507	89.0	--	47.3	12.2	19.8	20.8	--
New Jersey 5/	53,191	39,765	74.8	--	29.0	23.5	10.7	12.2	24.6
New Mexico	14,336	9,259	64.6	--	77.2	13.0	2.9	6.9	--
North Carolina 5/	24,410	14,458	59.2	--	52.4	26.4	11.5	9.7	--
North Dakota 5/	4,596	2,641	57.2	--	50.4	24.1	7.3	18.3	--
Ohio 5/	90,591	68,271	75.4	--	74.3	14.9	1.2	9.6	--
Oregon 5/	25,015	15,059	60.2	--	4[illegible].6	27.2	10.0	7.0	11.2
Pennsylvania 5/	195,418	162,859	83.3	--	42.2	32.3	5.0	20.5	--
South Carolina 4/ 5/	11,255	6,441	57.2	--	57.8	18.3	9.7	14.2	--
South Dakota 5/	4,971	2,273	45.7	78.4	11.3	4.6	2.2	3.5	--
Tennessee	21,155	10,495	49.6	--	31.1	40.5	9.9	8.9	9.6
West Virginia 5/	10,986	5,683	51.7	42.9	20.6	12.6	6.6	17.3	--
Wisconsin 5/	29,995	22,588	75.3	43.6	15.5	23.9	9.2	--	7.8
Benefit-wage ratio plan	215,022	141,944	66.0	--	74.4	13.2	4.4	3.0	5.0
Alabama 4/	19,553	10,086	51.6	--	70.3	19.0	4.5	6.2	--
Delaware	8,299	5,895	71.0	--	88.5	6.8	2.0	(6/)	2.6
Illinois	81,534	56,493	69.3	--	64.5	17.4	5.9	--	12.2
Oklahoma	16,657	10,124	60.8	--	64.9	11.8	8.5	14.9	--
Texas 4/	65,461	37,700	57.6	--	81.5	11.1	3.1	4.3	--
Virginia	23,518	21,646	92.0	--	90.2	5.9	1.5	2.4	--
Benefit-ratio plan	132,131	92,221	69.8	6.4	73.9	5.7	2.1	11.9	--
Florida 4/	35,020	18,317	52.3	32.4	54.2	5.8	1.3	6.4	--
Maryland	45,672	33,691	73.8	--	81.0	7.8	2.9	8.3	--
Minnesota 5/	39,150	32,080	81.9	--	79.2	1.3	1.0	18.6	--
Vermont	3,583	2,176	60.7	--	58.5	24.9	7.0	9.6	--
Wyoming	8,676	5,957	68.7	--	71.6	10.0	3.7	14.7	--
Pay-roll variation plan 3/	87,672	69,779	79.6	--	--	27.0	68.2	4.7	--
Mississippi	11,483	9,483	82.6	--	--	89.9	9.7	.3	--
Rhode Island 3/	--	--	--	--	--	--	--	--	--
Utah	17,245	11,282	65.4	--	--	91.7	6.5	1.8	--
Washington 7/	58,944	49,014	83.2	--	--	--	93.7	6.3	--
Compensable-separation plan	28,476	23,042	80.9	--	57.6	33.0	--	9.3	--
Connecticut	28,476	23,042	80.9	--	57.6	33.0	--	9.3	--
Pay-roll variation and reserve ratio	234,764	137,438	58.5	--	22.7	26.8	--	2.7	--
New York	234,764	137,438	58.5	--	22.7	26.8	25.0	2.7	22.9
Pay-roll variation and benefit ratio plan	16,008	11,373	71.0	--	59.6	18.3	2.8	19.3	--
Montana	16,008	11,373	71.0	--	59.6	18.3	2.8	19.3	--

1/ Classified by type of plan in effect at end of 1957.
2/ All rated and unrated accounts; excludes accounts newly subject after State cut-off dates for preparation of reports.
3/ National totals and totals for pay-roll variation plan exclude data for Rhode Island, which did not assign employers any reduced rates for 1957 rate year. National totals also exclude data for Alaska, which repealed experience rating provision as of January 1, 1955.
4/ For Alabama, Arizona, Florida, Georgia, South Carolina, and Texas, data exclude newly qualified employers assigned reduced rates after computation date.
5/ Includes effects of voluntary contributions made toward credit for 1957 rates.
6/ Less than 0.05 percent.
7/ When reduced rates are assigned in Washington, the rate variations are achieved through the use of tax credit offsets. Employer accounts in this State are classified by rate for current rate year on the assumption that each employer's taxable payroll would remain the same as in the preceding year.

Source: BES, U.S. Department of Labor

RESOLUTION NO. 149

UNEMPLOYMENT INSURANCE AND THE EMPLOYMENT SERVICE

Unanimously adopted by the Third Constitutional Convention, AFL-CIO
San Francisco, California, September 17 - 23, 1959

The legislative response to demonstrated weaknesses in unemployment compensation during our greatest post-war recession has been disappointing. The states acting individually and separately have failed to improve their laws commensurate with the needs of the unemployed. The Congress recognized the need for federal action but limited its leadership to an insufficient optional loan program for temporary extensions which was rejected by most states. Therefore, be it

RESOLVED, That the AFL-CIO support a comprehensive overhauling and improvement of the unemployment insurance system under a single federal system. Pending such a reorganization, we support federal legislation providing uniform minimum standards for benefits, duration, eligibility, disqualifications, and genuine tripartite representation on advisory committees, commissions, and appeals boards. Federal legislation should also provide reinsurance as a source of grants-in-aid to states and permit states to make flat-rate reduction in taxes.

We affirm the application of the following principles for determining benefit level improvements through both state and federal legislation:

1. The weekly benefit amount should replace some specified proportion of the individual claimant's full time weekly wage, preferably not less than 65% (or 1/20 of "high quarter" earnings). This wage-replacement principle should be observed for all but those few with highest earnings and those with very low earnings for whom a minimum benefit or a benefit based on a weighted formula is necessary. Individual benefits of at least 65% of weekly earnings loss are needed in most cases to cover non-deferrable living expenses, relieve hardships, and preserve some semblance of normal living standards. In no case should any claimant qualifying for less than the state-wide basic maximum be compensated by less than 50% of his individual earnings.

2. The base for computing benefit amount should be full-time gross weekly earnings during those weeks of the base year when earnings were highest. Weekly wages should not be averaged over any period (other than the base year quarter of highest earnings) unless lost time is excluded from the computation. Minimum benefit does not exclude loss time

3. Dependent allowances may supplement an adequate basic benefit schedule as described above, but they should be provided only as a specified flat increment per dependent, entirely separate from and supplemental to the benefit schedule.

4. The basic maximum weekly benefit amount must be established at about two-thirds of the states' average weekly wages in covered employment in order to allow the wage replacement principle to operate for most covered employees. In nearly all states the maximum payment allowable was once high enough relative to wage levels to accomplish this, but these ceilings have not been raised commensurately with changes in wage levels. The result is that most claimants draw the maximum rather than a specified proportion of their own wage loss, and unemployment insurance for the majority thus becomes a flat benefit system. In most states the distribution of earnings in covered employment is such that by setting the maximum at two-thirds of average weekly wages, the individual benefit formula or the benefit-earnings schedule would be extended to 80-90% of covered employees. This allows most employees a benefit proportionate to their wage when they become unemployed, leaving only the highest wage earners limited by the maximum amount to a severe contraction in their income.

5. To prevent economic erosion in the value of the benefits, the maximum benefit allowable should be written in the law as a percentage (e.g., 67%) of the average weekly wage in covered employment rather than being stated as a dollar amount. The maximum amount then can be set each year by the state unemployment insurance agency in accordance with changing wage levels (a procedure now followed in six states) without need of further legislative action.

6. All claimants who establish their attachment to the labor force and maintain eligibility should be entitled to 39 weeks of benefits if they cannot find employment in that line. This entitlement should not be limited to certain claimants with steadier employment or higher earnings (the "variable" duration in many states) because the contingency to be insured -- the difficulties of re-employment -- is a function of the labor market situation rather than one's past employment record. Nor should a 39 weeks' entitlement be limited to the special circumstance of state-wide unemployment reaching a predetermined level, since such a provision disregards the fact that in normal times the re-employment possibilities vary greatly according to community, type of job, and age of the claimant. It is unsound to insist on insufficient duration of benefits in a community with a severe unemployment problem just because the state as a whole is not in the same condition. Past experience demonstrates that proper administration of the "able and available for work" and "accept suitable work" requirements for maintaining eligibility usually result in short benefit periods for most of the unemployed. Over the unemployment "cycle" the average for all claims is only a fraction of the allowable number of weeks though there are always some for whom there are no suitable jobs for much longer periods. A uniform 39 weeks potential duration for each claimant will raise only slightly above present figures the average of actual duration of claim (and therefore the long run cost).

Efforts should also continue to be made at both state and federal levels to improve unemployment compensation in the following respects: to abolish the waiting week; eliminate harsh, restrictive and arbitrary provisions in regard to eligibility and disqualifications; extend benefits to all wage and salary employees; and to improve the financing of benefit costs.

We favor an amendment that will prohibit the garnishment or attachment of unemployment benefits for any purpose by any person or government agency including the Internal Revenue Service.

We support a coordinated national approach by the employment service and the continuation and improvement of its services.

We support the appropriation of adequate funds for the administration of the unemployment insurance and employment service programs at both federal and state levels. We favor improved procedures by the federal government for securing such appropriations.

We oppose any change in federal law which would remove the requirement for the quarterly wage reporting for OASI and unemployment insurance purposes.

We favor federal funds to extend the duration of benefits for claimants in defined depressed areas and for workers in the labor market unable to find employment because of age. We urge our affiliates to explore the feasibility of retraining and relocation allowances as an extension of the unemployment insurance program.

AL6 4411

INDUSTRIAL COMMISSION OF WISCONSIN

MATHIAS F. SCHIMENZ, *Chairman*
JOHN H. ROUSE, *Commissioner*
R. G. KNUTSON, *Commissioner*
HELEN E. GILL, *Secretary*

Unemployment Compensation Department
137 East Wilson Street—Madison 1, Wisconsin
Paul A. Raushenbush, *Director*

November, 1959

1959–1961 TEXT of WISCONSIN'S UNEMPLOYMENT COMPENSATION LAW

Wisconsin's Unemployment Compensation Law, passed in January 1932, is now Chapter 108 of the Statutes.

Contributions have been paid by covered employers since July 1934. Unemployment benefits have been paid to eligible workers since August 1936.

The law now covers about 32,000 employers (of 4 or more persons), and over 850,000 workers.

Through June 1959 the state "unemployment reserve fund" had paid nearly $327 million in benefits, including over $89 million paid after 1957,—and had a net balance of $218 million left (after 25 years of contributions and 23 years of benefits).

This "1959–1961 TEXT of WISCONSIN'S UNEMPLOYMENT COMPENSATION LAW" includes certain 1958 changes, and all 1959 amendments (namely Chapters 12, 61, 177 and 572, Laws of 1959).

Wisconsin Provisions on

UNEMPLOYMENT COMPENSATION

Chapter 108

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CHAPTER 108

UNEMPLOYMENT RESERVES AND COMPENSATION

108.01 PUBLIC POLICY DECLARATION. Without intending that this section shall supersede, alter or modify the specific provisions hereinafter contained in this chapter, the public policy of this state is declared as follows:

(1) Unemployment in Wisconsin is recognized as an urgent public problem, gravely affecting the health, morals and welfare of the people of this state. The burdens resulting from irregular employment and reduced annual earnings fall directly on the unemployed worker and his family. The decreased and irregular purchasing power of wage earners in turn vitally affects the livelihood of farmers, merchants and manufacturers, results in a decreased demand for their products, and thus tends partially to paralyze the economic life of the entire state. In good times and in bad times unemployment is a heavy social cost, directly affecting many thousands of wage earners. Each employing unit in Wisconsin should pay at least a part of this social cost, connected with its own irregular operations, by financing compensation for its own unemployed workers. Each employer's contribution rate should vary in accordance with his own unemployment costs, as shown by experience under this chapter. Whether or not a given employing unit can provide steadier work and wages for its own employes, it can reasonably be required to build up a limited reserve for unemployment, out of which benefits shall be paid to its eligible unemployed workers, as a matter of right, based on their respective wages and lengths of service.

(2) The economic burdens resulting from unemployment should not only be shared more fairly, but should also be decreased and prevented as far as possible. A sound system of unemployment reserves, contributions and benefits should induce and reward steady operations by each employer, since he is in a better position than any other agency to share in and to reduce the social costs of his own irregular employment. Employers and employes throughout the state should co-operate, in advisory committees under government supervision, to promote and encourage the steadiest possible employment. A more adequate system of free public employment offices should be provided, at the expense of employers, to place workers more efficiently and to shorten the periods between jobs. Education and retraining of workers during their unemployment should be encouraged. Governmental construction providing emergency relief through work and wages should be stimulated.

(3) A gradual and constructive solution of the unemployment problem along these lines has become an imperative public need.

108.02 DEFINITIONS. As used in this chapter:

(1) **"Benefits"** means the money allowance payable to an employe as compensation for his wage losses due to unemployment as provided in this chapter.

(2) **"Commission"** means the industrial commission.

(3) Employe. (a) "Employe" means any individual who is or has been performing services for an employing unit, in an employment, whether or not he is paid directly by such employing unit; except as provided in par. (b). If a contractor performing services for an employing unit is an employe under this subsection and not an employer subject to the contribution provisions of this chapter, a person employed by the contractor in fulfilment of his contract with the employing unit shall be considered the employe of the employing unit.

(b) Paragraph (a) shall not apply to an individual performing services for an employing unit if the employing unit satisfies the commission as to both the following conditions:

1. That such individual has been and will continue to be free from the employing unit's control or direction over the performance of his services both under his contract and in fact; and

2. That such services have been performed in an independently established trade, business or profession in which the individual is customarily engaged.

(c) This subsection shall be used in determining an employing unit's liability under the contribution provisions of this chapter, and shall likewise be used in determining the status of claimants under the benefit provisions of this chapter.

(d) Any individual who is, under this subsection, an "employe" of a given employing unit shall be deemed "employed" by that employing unit for the purposes of this chapter.

(4) Employer. (a) "Employer", except where the term by its context may apply to any unit employing one or more individuals, means any person, partnership, association, corporation, whether domestic or foreign, (or legal representative or trustee in bankruptcy or receiver or trustee of a person, partnership, association or corporation, or legal representative of a deceased person), including this state and any city of the first class (but excluding any other political

subdivision) and any fraternal benefit society as defined in s. 208.01, who is subject to this chapter under the statutes of 1955, or who has had employment in Wisconsin and becomes subject to this chapter under the provisions of this subsection.

(b) Any other employer who is subject to the federal unemployment tax act for any calendar year shall become an "employer" subject hereto as of the beginning of such calendar year.

(c) Any other employer shall become an "employer" subject hereto in case the wages paid or payable by him for employment occurring in any calendar quarter exceed $10,000 (counting for this purpose not more than $1,000 of such wages per individual employed), as of the beginning of that calendar year in which such quarter occurs.

(d) Any other employer, who has employed as many as 4 individuals in "employment" on each of some 20 days during the taxable year, each day being in a different calendar week, counting the total number of individuals who were employed by him in employment for some portion of the day (whether or not at the same moment of time), effective after December 31, 1955, shall become an "employer" subject hereto as of the start of that calendar year in which such employment occurred. If an employer's records for a given calendar year do not permit accurate determination of his status on the foregoing basis, and the aggregate "wages" paid or payable for "employment" by him equalled or exceeded $6,000 for such year, he shall become an "employer" subject hereto as of the start of such year.

(e) Any other employer, who succeeds to the business of any "employer" hereunder, shall thereby become an "employer" subject to this chapter, as provided in s. 108.16 (8).

(f) Any employer, including any political subdivision of the state, not otherwise subject to this chapter, who files with the commission his written election to become an "employer" subject hereto for not less than 3 calendar years, shall, with the written approval of such election by the commission, become an "employer" fully subject to this chapter, as of the date and under the conditions stated in such ap-

proved election. Any political subdivision may limit its election to one or more of its operating units.

1. The commission may refuse to approve any such election, in the interests of the proper administration of this chapter. Any election approved by the commission shall be void, in case the electing party was himself "employed" in the same enterprise as the individuals to whom such election applied. The commission may at any time by written notice to the employer terminate any election in the interests of proper administration of this chapter.

2. An electing employer may, after 3 such years, terminate his election and thereby cease to be an "employer" subject hereto, despite par. (g), at the close of any week which ends after the month in which he has filed a written notice to that effect with the commission, provided he is not then subject to this chapter under par. (b), (c), (d), or (e).

(g) An employer shall cease to be subject to this chapter only upon commission action terminating his coverage. The commission may terminate an employer's coverage, on its own motion or on application by the employer, by mailing a notice of termination to the employer's last known address. If a termination of coverage is based on an employer's application, it shall be effective as of the close of the calendar month in which the application was filed. Otherwise, it shall be effective as of the close of the calendar month in which the notice of termination is mailed, subject to appeal by the employer under s. 108.10 by the close of the following month. The commission shall terminate an employer's coverage only if the employer would not otherwise be subject under sub. (4) (b), and only if the employer:

1. Has ceased to exist; or

2. Has transferred his entire business to another person or persons; or

3. Has been covered by this chapter throughout each of the 2 most recently completed calendar years, but has, in each such year, had less than 20 weeks (lying wholly within that year) within which he employed 3 or more employes.

(5) **Employment.** (a) "Employment", subject to the other provisions of this subsection, means any service, including service in interstate commerce, performed by an individual for pay.

108.02 (5)

(b) The term "employment" shall include an individual's entire service (performed within, or partly within and partly outside, Wisconsin), if such service is "localized" in Wisconsin; and shall also include such service, if it is not "localized" in any state but is performed partly within Wisconsin, and if:

1. The base of operations, or, if there is no base of operations, then the place from which such service is directed or controlled, is in Wisconsin; or

2. The base of operations or place from which such service is directed or controlled is not in any state in which some part of such service is performed, but the individual's residence is in Wisconsin.

(c) An individual's entire service for an employer, whether performed partly within or entirely outside Wisconsin, shall be deemed "employment" subject to this chapter, provided both the following conditions exist:

1. Such service is deemed "employment" covered by this chapter pursuant to a reciprocal arrangement between the commission and each agency administering the unemployment compensation law of a jurisdiction in which part of such service is performed; or no contributions are required with respect to any of such service under any other unemployment compensation law; and

2. The employer so elects with the commission's approval and with written notice to the individual.

(d) An individual's entire service shall be deemed "localized" within a state, if such service is performed entirely within such state, or if such service is performed partly within and partly outside such state but the service performed outside such state is incidental to the individual's services within such state (for example, is temporary or transitory in nature or consists of isolated transactions).

(e) In determining whether an individual's entire services shall be deemed "employment" subject to this chapter, under pars. (b), (c) and (d) the commission may determine and redetermine the individual's status hereunder for such reasonable periods as it deems advisable, and may refund (as paid by mistake) any contributions which have been paid hereunder with respect to services duly covered under any other unemployment compensation law.

(f) The term **"employment"**, as applied to work for a governmental unit, except as such unit duly elects otherwise with the commission's approval, **shall not include:**

1. Employment as an elected or appointed public officer.

2. Employment, of a professional or consulting nature, paid on a per diem or retainer basis.

3. Employment by a govenmental unit on an unemployment work relief project, recognized as such by the commission.

4. Employment, by an educational institution supported wholly or substantially from public funds, of any student enrolled in such institution and carrying at least half its full-time schedule in the most recent school term, or of any person as a teacher in such institution.

5. Employment directly by the state fair during its active duration (including the week before and the week after the fair); or employment by the Wisconsin National Guard directly and solely

in connection with its summer training camps or for emergencies; or employment directly by the conservation commission for emergency fire fighting.

6. Employment by a governmental unit in a given week, for the removal of snow or ice or for work connected with floods, of an individual who has worked for such governmental unit in 6 or less of the 52 weeks preceding the given week.

7. Service solely as a school crossing guard.

8. Part-time or occasional service in recreational activities.

9. Past service in a regular annual school-year position (other than teaching) by an individual who still (when claiming benefits) has status therein as a school-year employe.

11. Part-time or occasional service or work by visually handicapped persons performed in the workshop for the blind.

12. Employment by the state legislature except on transfer from another state agency.

(g) The term **"employment"**, except as a given employer elects otherwise with the commission's approval, **shall not include:**

1. Employment in agricultural labor.

2. Domestic service in the employ of an individual in his private home, or domestic service in the employ of a local college club or of a local chapter of a college fraternity or sorority.

3. Employment as a caddy on a golf course.

4. Employment as a newsboy, selling or distributing newspapers or magazines on the street or from house to house.

5. Service performed after June 30, 1939, with respect to which unemployment compensation is payable under the railroad unemployment insurance act (52 Stat. 1094).

6. Any type of maritime service specifically excluded from the coverage of the federal unemployment tax act.

7. Employment of any person by a corporation, community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation.

9. Service in the employ of any fraternal beneficiary society, order or association (exempt from federal in-

come tax under s. 501 (a) of the internal revenue code), if such service is in connection with its collection of dues or premiums and is performed away from its home office, or is ritualistic service.

10. Service in the employ of an agricultural or horticultural organization exempt from federal income tax under s. 501 (a) of the internal revenue code.

11. Service as an unpaid officer of a corporation or association.

12. Employment as an athlete by an employer who has submitted written evidence satisfying the commission that the enterprise in question was not subject to the federal unemployment tax act in the preceding calendar year.

13. Service covered by any other unemployment compensation law pursuant to a reciprocal arrangement made by the commission under s. 108.14 (8m).

14. Service for an employer who would otherwise be subject to this chapter solely because of sub. (4) (b), if and while the employer, with written notice to and approval by the commission, duly covers, under the unemployment compensation law of another jurisdiction, all services for him which would otherwise be covered under this chapter.

15. Service performed in any calendar quarter as an officer or representative of any organization exempt from federal income tax under ss. 501 (a) or 521 of the internal revenue code, if the remuneration for such service does not exceed $50.

16. Service performed by an individual in the employ of his son, daughter, or spouse, and service performed by a child under the age of 21 in the employ of his father or mother.

(h) If the federal unemployment tax act is so amended after 1944 as to make subject thereto remuneration paid for any employment excluded under par. (g), such exclusion under this chapter shall cease as of the date when said federal act first applies to such remuneration, except as provided in s. 108.14 (8m) (b).

(6) Wages. "Wages" means every form of remuneration payable for a given period (or paid within such period, if this basis is permitted or prescribed by the commission) to an individual for personal services, including salaries, commissions, vacation pay, dismissal wages, bonuses and the reasonable (actual or estimated average) value of board, rent, housing, lodging, payments in kind, and any other similar advantage received from the individual's employing unit or directly with respect to work for it; but there shall not be treated as "wages" the actual (or reasonably estimated average) amount of any required or necessary expenses incurred by an individual on his job. Tips shall be counted as "wages" solely for benefit purposes.

(7) Average weekly wage. (a) An employe's "average weekly wage" with respect to a given employer means the average weekly amount determined by dividing the employe's total wage (paid or payable with respect to his services performed for the employer in the calendar year, or other one-year period prescribed by the commission, which precedes a given determination date) by the total number of those weeks (completed in such year) within which the employe performed some wage-earning services for the employer or for which he received from the employer vacation pay or dismissal wages at least equal to his weekly benefit rate (or, in case no such rate applied, equal to $15).

(b) In lieu of the foregoing standard procedure for determining an employe's average weekly wage, the commission may by general rule prescribe reasonable substitute procedure to apply to those employes (or to some class of those employes) for whom such total wages were less than $100, or for whom the total number of such weeks was less than 10, or who had no such wages or weeks in such year; provided, moreover, that the commission may, on application of an employe or his employer or on its own motion, prescribe reasonable substitute procedure for determining or redetermining the average weekly wage of any employe if it finds, after consulting the employe and the given employer, that application of the standard procedure would be inequitable in such case.

108.02 (7)

(c) The commission may also apply par. (b) to any employe who would have no weekly benefit rate under par. (a).

(d) On recommendation by the advisory committee on this chapter the commission may by rule prescribe, in lieu of the standard procedure specified by par. (a), that each employe's average weekly wage with respect to a given employer and benefit determination shall be based on his gross wages for the weeks of employment, completed within the period specified by s. 108.06 (1) (a), reported for possible use in that determination.

(8) (a) An employer's **"payroll"** shall include all wages paid within a given period to the employer's employes for their "employment" by him.

(b) But an employer's "payroll" for any calendar year shall not include more than the first $3,000 of wages paid by him during such year to an individual with respect to "employment" (including any employment covered by the unemployment compensation law of any other state).

(c) If the federal unemployment tax is amended to apply to a higher amount than the first $3,000 of wages (paid to an individual during a calendar year), then such higher amount shall likewise apply under par. (b), as a substitute for the $3,000 there specified, starting with the same period to which such federal amendment first applies.

(d) If a higher amount is applied pursuant to par. (c), the employer contribution rates (on payroll) determined under s. 108.18 for the second calendar year to which that higher amount applies shall be modified as follows. As to each employer to whom an experience rate then applies under s. 108.18, the contribution rate determined for him under s. 108.18 for that second calendar year shall be reduced by one-tenth of one per cent (on his payroll for that year), except where said rate is zero per cent.

(9) "Fund" means the unemployment reserve fund established in s. 108.16.

(10) "Employer's account" means a separate account in the fund, reflecting the employer's experience with respect to contribution credits and benefit charges under this chapter.

(11) "Reserve percentage" shall for contribution purposes refer to the status of an employer's account, as determined finally by the commission as of the close of the most recent December 31 "computation date". In calculating an employer's net reserve as of any computation date, his account shall be charged with benefits for weeks ending

on or before said date, if paid by the close of the month which follows said date, and shall be credited with contributions, on his payroll through said date, if paid by the close of said month, consistently with s. 108.16. The employer's "reserve percentage" means his account's net reserve as of the computation date, stated as a percentage of the higher one of the following amounts: (a) his "payroll" for the year ending on such date, or (b) 20 per cent of his payroll for the next preceding year.

(11m) "Computation date" means that date as of the close of which the commission computes reserve percentages and determines contribution rates for the next calendar year; and the "year" preceding the computation date means the period of 12 consecutive calendar months ending on that date. The computation date shall be December 31, except as the commission may by general rule prescribe any other date (occurring at least once in each calendar year and within 27 weeks prior to the effective date of new rates of contributions) as of which such rates shall be computed.

(12) "Week" means calendar week, starting Sunday and ending Saturday; but, where an employe starts a working shift on a given Saturday, all his hours and pay for that shift shall be counted in the calendar week which includes that Saturday.

(12m) "52 weeks" means 52 consecutive weeks, for the purposes of any benefit determination issued under this chapter.

(13) An employe's **"weeks of employment"** by an employer means all those weeks within each of which the employe has performed any wage-earning services for the employer in employment subject to this chapter.

(14) "Credit week" means a week of employment (of an employe by an employer) counted in computing benefits under s. 108.06.

(15) Weekly benefit rate. An employe's "weekly benefit rate" from a given employer means the amount determined in accordance with s. 108.05 or 108.061.

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(16) Partial unemployment. An employe is "partially unemployed" in any week for which he receives some wages but less than his weekly benefit rate.

(17) Total unemployment. An employe shall be deemed "totally unemployed" in any week for which he receives no wages.

(18) Eligibility. An employe shall be deemed "eligible" for benefits for any given week of his unemployment unless he is disqualified by a specific provision of this chapter from receiving benefits for such week of unemployment, and shall be deemed "ineligible" for any week to which such a disqualification applies.

(19) An employe's **"waiting period"** means any period of time (for which no benefits are payable) required of the employe pursuant to s. 108.04 (3), as a condition precedent to his receipt of benefits.

(20) "Administration fund" means the fund established in s. 108.20.

(21) Undefined Terms. Any word or phrase used in this chapter and not specifically defined herein shall be interpreted in accordance with the common and approved usage thereof and in accordance with other accepted rules of statutory construction. No legislative enactment shall control the meaning or interpretation of any such word or phrase, unless such enactment specifically refers to this chapter or is specifically referred to in this chapter.

(22) Self-Employment. An individual shall be deemed to be "self-employed" if he is engaged (not in the employ of another) in a business or enterprise which he has undertaken for the purpose of producing a substantial part of his gross income.

(23) Agricultural Labor. "Agricultural labor" means service performed:

(a) On a farm, in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training and management of live stock, bees, poultry, and fur-bearing animals and wildlife.

(b) In the employ of the owner or tenant or other operator of a farm, in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by a hurricane, if the major part of such service is performed on a farm.

(c) In connection with the production or harvesting of maple sirup or maple sugar or any commodity defined as an agricultural commodity in section 15 (g) of the federal agricultural marketing act, as amended, or in connection with the raising or harvesting of mushrooms, or in connection with the hatching of poultry, or in connection with the ginning of cotton, or in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways used exclusively for supplying and storing water for farming purposes.

(d) In handling, planting, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, any agricultural or horticultural commodity; but only if such service is performed as an incident to ordinary farming operations or, in the case of fruits and vegetables, as an incident to the preparation of such fruits or vegetables for market. The provisions of this paragraph shall not be deemed to be applicable with respect to service performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption.

(e) As used in this subsection, the term "farm" includes stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches, nurseries, ranges, greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards.

108.03 PAYMENT OF BENEFITS. (1) Benefits shall be paid to each unemployed and eligible employe from his employer's account, under the conditions and in the amounts stated in (or approved by the commission pursuant to) this chapter, and at such times, at such places, and in such manner as the commission may from time to time approve or prescribe.

(2) (a) The benefit liability of each employer's account shall begin to accrue under s. 108.06 in the first week completed on or after the first day of that calendar year within which his contributions first began to accrue under this chapter.

(b) Benefits shall become payable from each employer's account beginning with the first week completed 6 months after the first day of that calendar year within which his contributions first began to accrue under this chapter.

(3) When an employer, after due notice of a benefit claim against his account, has conceded liability thereunder or has failed to file the required report thereon or has failed to raise any eligibility issue thereunder, any benefits allowed under any resulting benefit determination shall be promptly paid; and any issue thereafter raised by the employer shall not affect benefits already paid.

108.04 ELIGIBILITY FOR BENEFITS.

(1) AVAILABILITY FOR WORK. (a) An employe shall be ineligible for benefits for any week in which he is with due notice called on by his current employing unit to report for work actually available within such week and is unavailable for work or physically unable to do his work.

(b) An employe shall be ineligible for benefits from an employer's account for any given week if his employment with such employer was suspended by the employe or by the employer or was terminated by such employer because the employe was unavailable for work, or on a voluntary leave of absence granted for a definite period, or physically unable to work, in case such unavailability or inability continues during the week in question, or if such week occurs during the definite period of such leave and before the employe has returned to work.

(c) A pregnant woman shall be deemed unavailable for work and ineligible for benefits for the period which begins 10 weeks before the week which includes the expected date of childbirth and which ends 4 weeks after the week which includes the date of childbirth. The commission may require any such claimant to submit a doctor's certificate to establish such dates.

(2) REGISTRATION FOR WORK. (a) An employe shall be deemed eligible, for waiting period or benefit purposes, as to any given week for which he receives no wages, only if he has within such week registered for work in such manner as may then be prescribed by commission rules; provided that, if the commission finds that there are conditions under which an employe cannot reasonably be required to comply with the foregoing registration requirement, the commission may by general rule waive this requirement under such stated conditions. Each employer shall inform his employes of the foregoing registration requirement, in such reasonable manner as the commission may from time to time prescribe.

(b) Any claimant, thus registered, may also be required at any time to make such other efforts to secure work as the commission may reasonably direct under the circumstances,

and to supply proper evidence thereof; and shall, if he fails without good cause to do so, be ineligible for each week such failure continues.

(3) WAITING PERIOD. (a) Only those weeks of an employe's unemployment for which he would otherwise be eligible to receive benefits shall be counted as waiting period weeks.

(b) An employe shall become eligible to receive benefits for his weeks of unemployment ending within a given calendar year only after he has had one waiting period week, ending within such year, except as hereinafter provided.

(c) Not more than one of the weeks ending between October 31 and the following March 1 shall be required of an employe as waiting period.

(d) No week shall be required of an employe as a waiting period week if benefits were payable to him for the immediately preceding week.

(4) QUALIFYING CONDITIONS. (a) An employe shall not be eligible to receive benefits for any given week of unemployment unleess he has had a total of **18 or more "weeks of employment"** from one or more employers within the 52 weeks preceding the close of his most recent week of employment.

(af) There shall be counted toward the "weeks of employment" required by par. (a) any federal service, within the relevant period, which is assigned to Wisconsin under an agreement pursuant to title XV of the social security act.

(b) An employe shall be ineligible for benefits, based on his past employment by a given employer, while his applicable **"average weekly wage"** as to such employer is under **$16,** unless s. 108.07 (2) is applied to that employment.

(c) An employe shall not be eligible to receive benefits from the account of an employer who is engaged in the canning of fresh perishable fruits or vegetables, based on his weeks of employment by such employer ending within a given calendar year, if during such year he has been employed by such employer within fewer than 18 weeks and solely within the active canning season or seasons (as de-

termined by the commission) of the establishment in which he has been employed by such employer, unless he had earned wages (for services performed for one or more other covered employers, and submits adequate evidence of such wages) of $200 or more during the 52 weeks preceding his first week of employment by such canning employer ending within such year.

(d) An employe shall not be eligible for benefits from a given employer's account for any given week, if he is customarily **self-employed,** and there have been not more than 20 weeks in which he worked as much as 15 hours per week for such employer, and he has worked at his self-employment 30 or more weeks, out of the 52 weeks preceding termination of his employment by such employer, and can at such termination reasonably return to his customary (or other similar) self-employment.

(e) In no case shall any employe employed by any bowling alley as a **pin boy** be eligible to receive any benefits, based on such employment, for unemployment during May, June, July, or August.

(f) An employe shall not be eligible for benefits from a given employer's account for any given week, nor shall such week be counted as a credit week for benefit purposes, if such employe is or was a **student** (regularly attending an established educational institution in the most recent school term) and his employment in such week occurred:

1. Solely within the customary vacation days or periods of schools, colleges and universities.

2. Outside of school hours for not more than 4 hours on any full school day.

3. By such educational institution.

4. By a separate employer as a formal and accredited part of the regular curriculum of such educational institution.

5. Outside of his school class hours for not more than 24 hours in the given week, if in such weeks he is carrying at least a half-time schedule of courses in such school.

(5) DISCHARGE FOR MISCONDUCT. An employe's eligibility, for benefits based on those credit weeks then accrued with respect to an employing unit, shall be barred for any week of unemployment completed after he has been **discharged** by the employing unit for **misconduct** connected with his employment; provided, moreover, that such employe shall be deemed ineligible for benefits (from other previous employer accounts) for the week in which such discharge occurred and for the 3 next following weeks.

(6) DISCIPLINARY SUSPENSION. As to an employe's weeks of unemployment by reason of a **disciplinary suspension** by a given employer, the employe shall be ineligible for benefits from such employer's account as follows:

(a) If the suspension was for misconduct connected with his employment, he shall be ineligible for each such week.

(b) If the suspension was for other good cause connected with his employment, he shall be ineligible for the first 3 such weeks ending within any calendar year.

(7) VOLUNTARY TERMINATION OF EMPLOYMENT. (a) If an employe **terminates his employment** with an employing unit, he shall be ineligible for any benefits based on such employment, and ineligible for benefits based on other previous employment for the week of termination and the 4 next following weeks, except as hereinafter provided.

(b) Paragraph (a) shall not apply if the commission determines that the employe terminated his employment with good cause attributable to the employing unit.

(c) Paragraph (a) shall not apply if the commission determines that the employe terminated his employment for compelling personal reason; provided that, if the commission determines that he is physically unable to work or substantially unavailable for work, he shall be ineligible while such inability or unavailability continues.

(d) Paragraph (a) shall not apply if the commission determines that the employe terminated his employment to take another job; provided, that he shall be ineligible, for

benefits based on the employment terminated, until he has been employed within at least 7 subsequent weeks.

(e) Any benefits paid pursuant to pars. (c) or (d) based on the employment terminated shall be charged against the fund's balancing account; but the employer shall continue to be recognized as an interested party in any such case.

(8) SUITABLE WORK. (a) If an employe fails either to apply for work when notified by a public employment office or to accept work when offered to him, and such failure was without good cause as determined by the commission, he shall be ineligible for the week in which such failure occurs and thereafter until he has again been employed within at least 4 weeks and has earned wages equalling at least 4 times his weekly benefit rate.

(af) If an employe fails to return to work with a former employer who has duly recalled him, and such failure was without good causes as determined by the commission, he shall be ineligible for benefits from that employer's account for the week in which such failure occurs and thereafter until he has again been employed within at least 4 weeks and has earned wages equalling at least 4 times his weekly benefit rate.

(b) If the commission determines that such a failure has occurred with good cause, but that the employe is physically unable to work or substantially unavailable for work, he shall be ineligible for the week in which such failure occurred and while such inability or unavailability continues.

(c) When a claimant accepts new work which he could have refused with good cause, and then terminates such employment with the same good cause and within the first 10 weeks after starting work, his eligibility for benefits based on other previous employment shall not be suspended, under sub. (7), by reason of such termination.

(d) An employe shall be deemed to have good cause under par. (a) if the commission determines that his failure related to new work for a new employing unit at a lower grade of skill or significantly lower rate of pay than applied to him on one or more recent jobs, and that he had not yet had a

reasonable opportunity (in view of labor market conditions and his degree of skill, but not to exceed 6 weeks after he became unemployed) to seek a new job substantially in line with his job skill and prior rate of pay.

(9) PROTECTION OF LABOR STANDARDS. Benefits shall not be denied under this chapter to any otherwise eligible individual for refusing to accept new work under any of the following conditions:

(a) If the position offered is vacant due directly to a strike, lockout, or other labor dispute.

(b) If the wages, hours or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality.

(c) If as a condition of being employed the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization.

(10) LABOR DISPUTE. An employe who has left (or partially or totally lost) his employment with an employing unit because of a strike or other bona fide labor dispute shall not be eligible for benefits from such (or any previous) employer's account for any week in which such strike or other bona fide labor dispute is in active progress in the establishment in which he is or was employed.

(11) FRAUDULENT CLAIMS. In addition to any other provision, including penalties, which may apply under this chapter:

(a) If a claimant, in filing his claim for any week, conceals any part of his wages earned in or paid for that week, or conceals his refusal (within that week) of a job offer, so much of any benefit payment as was paid because of such concealment shall be recovered as an overpayment.

(b) Any such claimant may also, by a determination issued under s. 108.09, be required, as to each such act of concealment, to forfeit such benefits as would otherwise become payable to him for not more than 3 weeks of compensable unemployment completed not later than 2 years fol-

lowing the date of such determination. The benefits thus forfeited by a claimant shall be duly charged against his benefit credits and against the proper employer's account and shall be credited to the fund's balancing account.

(12) PREVENTION OF DUPLICATE PAYMENTS. (a) Any individual who is entitled to federal readjustment allowances under the servicemen's readjustment act of 1944 may nevertheless claim benefits based on his available credit weeks under this chapter, and may receive such benefits if otherwise eligible; but any individual who receives a federal readjustment allowance for a given week shall be ineligible for benefits paid or payable for that same week under this chapter.

(b) Similarly, any individual who receives, through the commission, any other type of unemployment benefit or allowance for a given week shall be ineligible for benefits paid or payable for that same week under this chapter.

(c) Any individual who receives unemployment compensation for a given week under any federal law through any federal agency shall be ineligible for benefits paid or payable for that same week under this chapter.

(d) Any individual who receives unemployment compensation for a given week under the law of any other state (with no use of benefit credits earned under this chapter) shall be ineligible for benefits paid or payable for that same week under this chapter.

(e) Any individual who receives a temporary total disability payment under ch. 102 for a given week shall be ineligible for benefits paid or payable for that same week under this chapter.

(13) NOTIFICATION AS TO INELIGIBILITY. (a) The commission may take administrative notice of any fact indicating an employe's ineligibility, whether or not the employing unit has reported such fact or asserted the employe's ineligibility under this chapter.

(b) Unless an employer has duly notified the commission (in such manner and within such time limit as the commission's rules and regulations may prescribe) that he believes a designated provision of this section or of the "em-

ployment" definition of s. 108.02 should operate to deny benefits from his account to the given employe for the week or weeks in question, or unless the commission applies the provisions of par. (a), no provision of this section or of such definition shall operate to deny such benefits to such employe; provided, however, that this subsection shall not affect the application of subs. (2), (3), (4) (a) and (b), (8) and (11), even though the commission has not been thus notified; and provided, further, that said sub. (2) shall not apply to a case for which the employer in question expressly waives its application by written notice to and with the approval of the commission.

(c) In case an employer, after a request therefor has been duly mailed to him, fails to file the required report on the eligibility, weekly benefit rate and credit weeks of an employe who has claimed benefits from the employer's account, or if such report is received more than 7 days after such mailing and also after the employe has completed claim as to a week for which benefits are apparently payable:

1. The commission may determine and proceed to pay the benefits thus claimed, based on the claimant's statements.

2. If benefits are thus determined, the employer shall be liable for a tardy filing fee of $5, to be paid to the commission and credited to the administration fund, except where the employer later files the required report and satisfies the commission that it was tardy because of circumstances beyond his control.

(d) As to any benefits paid from one employer's account by reason of another employer's failure to file duly a report requested from him by the commission, the first week's benefits thus paid shall not be recovered from the employe but shall be credited to the one employer's account and charged to the other employer's account.

(e) Whenever an individual claims benefits based on his employment by a government unit, it shall, if it believes that sub. (15) as to retirement payments may apply, so notify the commission. In any such case the Wisconsin retirement fund and the state teachers retirement system

108.04 (13)

shall, on request from the commission, report to it the relevant facts, and the commission shall apply sub. (15) accordingly.

(14) If the commission finds that the official war-time manpower policies of the United States are or may be materially hampered, in any clearly definable class of cases, by any application of subs. (7) or (8), so as to interfere with the effective war-time use of civilian manpower in Wisconsin, the commission may by general rule, after public hearing, modify or suspend such application accordingly.

(15) RETIREMENT PAYMENTS. If an employe claims benefits based on his past work for a covered employer, but such employer duly notifies the commission pursuant to sub. (13), and the commission determines, that the employe is receiving or has claimed and will receive retirement payments, as to any week covered by his benefit claim, under a group retirement system to whose financing any employing unit has substantially contributed or under a government retirement (or old-age insurance) system or under both, then the benefits thus claimed:

(a) Shall be denied for any such week, from the account of such employer, if the employe left his employment with that employer to retire before he reached the compulsory retirement age used by that employer.

(b) Shall not be denied for any such week, from the account of such employer, if the employe is otherwise eligible and left or lost his employment with that (or any other) employing unit because he had reached the compulsory retirement age used by the employing unit in question.

(c) Shall, if payable, be determined for any such week by treating all but $5 of the employe's weekly rate of such retirement payments as if it were "wages".

108.05 AMOUNT OF BENEFITS.

(1) WEEKLY BENEFIT RATE, FOR TOTAL UNEMPLOYMENT. Each eligible employe shall be paid benefits from his employer's account for each week of his total unemployment at the weekly benefit rate, based on the employe's "average weekly wage" from the given employer, shown by the following schedule:

SCHEDULE

Line	Average Weekly Wage Class			Weekly Benefit Rate
1.		Under	$16.00	$ None
2.	$16.00	to	$19.00	11
3.	19.01	to	22.00	12
4.	22.01	to	24.50	13
5.	24.51	to	27.00	14
6.	27.01	to	29.50	15
7.	29.51	to	32.00	16
8.	32.01	to	34.00	17
9.	34.01	to	36.00	18
10.	36.01	to	38.00	19
11.	38.01	to	40.00	20
12.	40.01	to	42.00	21
13.	42.01	to	44.00	22
14.	44.01	to	46.00	23
15.	46.01	to	48.00	24
16.	48.01	to	50.00	25
17.	50.01	to	52.00	26
18.	52.01	to	54.00	27
19.	54.01	to	56.00	28
20.	56.01	to	58.00	29
21.	58.01	to	60.00	30
22.	60.01	to	62.00	31
23.	62.01	to	64.00	32
24.	64.01	to	66.00	33
25.	66.01	to	68.00	34
26.	68.01	to	70.00	35
27.	70.01	to	72.00	36
28.	72.01	to	74.00	37
29.	74.01	to	76.00	38
30.	76.01	to	78.00	39
31.	78.01	to	80.00	40
32.	80.01	to	82.00	41
33.	82.01	to	84.00	42*
34.	84.01	to	86.00	43*
35.	86.01	to	88.00	44*
36.	88.01	to	90.00	45*
37.	90.01	to	92.00	46*
38.	92.01		or more	47*

*Rates above $41 will apply to determinations issued after Jan. 1, 1960, under (2), below.

52 1/2% of avg. weekly wage

108.05 (1m)

(1m) FINAL PAYMENTS IN CERTAIN CASES. Whenever an employe's benefit credits under a given determination are nearly exhausted, so that paying the benefits normally due him for a given week of unemployment would reduce such credits below his applicable weekly benefit rate, his actual benefits for such week shall equal all benefit credits remaining under said determination.

(2) SEMIANNUAL ADJUSTMENT OF MAXIMUM BENEFIT RATE. (a) This chapter's maximum weekly benefit rate, as to benefit determinations whose first benefit check is issued in a given half year (starting January 1 or July 1), shall be based on the "average wages per average week" of the preceding "base year" (ended 6 months before the starting date of the given half year) pursuant to this subsection.

(b) The commission shall determine semiannually, by December 1 and by June 1, for the last completed "base year" (ended June 30 or December 31), from reports to the commission (including corrections thereof) filed within 3 months after the close of that year by employers (except government units) covered by this chapter as to their employes in employment covered by this chapter:

1. The gross wages thus reported by all such employers as paid in that year for such employment; and

2. The average of the 12 mid-month totals of all such employes in employment thus reported for that year; and

3. The quotient obtained by dividing said gross wages by said average; and

4. The amount (herein called "average wages per average week") obtained by dividing said quotient by 52.

(c) Based on the amount of "average wages per average week" thus determined, this chapter's maximum weekly benefit rate, as to benefit determinations whose first benefit check is issued in the ensuing half year (starting January 1 or July 1), shall equal the result obtained by rounding 52.5 per cent of said "average wages per average week" to the nearest multiple of one dollar,

(d) Whenever said result is higher or lower than the current half year's maximum weekly benefit rate, under the schedule which currently applies under this section, the commission shall change the closing lines of that schedule, for benefit determinations whose first benefit check is issued in the next half year, so that each such line will show an "average weekly wage class" two dollars higher and a "weekly benefit rate" one dollar higher than the preceding line, except that the new last line, showing the new maximum weekly benefit rate determined under par. (c), shall specify that "average weekly wage class" which ranges upward without limit and starts one cent above the higher wage figure of the next preceding line.

(e) The commission shall promptly record in its minutes, and shall have officially published within 10 days, the "average wages per average week" and the corresponding maximum weekly benefit rate thus determined by it, and the resulting schedule of average weekly wage classes and weekly benefit rates, which shall then apply to all benefit determinations whose first benefit check is issued in the ensuing half year.

(f) The commission shall certify such schedule to the revisor of statutes, who shall when publishing the statutes include the latest such schedule then available.

(g) The commission's first determination under par. (b) shall be made by December 1, 1959, for the "base year" ended June 30, 1959, and the resulting schedule shall apply to the half year beginning on January 1, 1960.

(3) BENEFITS FOR PARTIAL UNEMPLOYMENT. (a) If an eligible employe's total wages for a given week are less than his applicable weekly benefit rate, but are at least one-half of said rate, he shall be paid one-half of his weekly benefit rate for such week.

(b) If an eligible employe's total wages for a given week are less than one-half of his applicable weekly benefit rate, he shall be paid his full weekly benefit rate for such week.

(4) HOLIDAY OR VACATION PAY. (a) An employe's holiday pay for a given week shall, for benefit purposes, be treated as wages for that week only if it has become defi-

nitely payable to the employe within 4 days after the close of that week.

(b) An employe's vacation pay shall, for benefit purposes, be treated as wages for a given week only if it has by the close of that week become definitely allocated and payable to the employe for that week and he has had due notice of such allocation; provided that, in any case where an employe's vacation pay has not been thus allocated to a given week, his employer may:

1. Allocate it to a future week of the employe's unemployment, with due notice to him and to the commission; or

2. Deduct from such pay, without penalty under s. 108.24, such benefits paid for a past week as the employe would not have received if such pay had been currently allocated to such week, in which event the employer shall promptly transmit the amount thus deducted to the commission for his account in the fund and the commission shall correct the employe's benefit credits accordingly.

108.06 BENEFIT LIABILITY OF EMPLOYER'S ACCOUNT.

(1) BENEFIT CREDIT WEEKS. (a) Except as this section or s. 108.04 provides otherwise, there shall be counted as a credit week for benefit purposes each week of employment, of a given employe by a given employer, which is or has been completed:

1. After the benefit liability of the employer's account has begun to accrue; and

2. Within the 52 weeks preceding the close of the employe's most recent week of employment by the employer; or within any 53 such weeks which include the fifty-third week ending within a single calendar year.

(b) In case an employe has had more than 45 weeks of employment by an employer within the period specified in par. (a) 2, only 45 of such weeks shall be counted and available as "credit weeks" with respect to such employer under any one benefit determination.

(2) DURATION OF BENEFITS, BASED ON CREDIT WEEKS. (a) Each benefit determination issued under s. 108.09 shall allow benefits to an employe, if otherwise eligible, based on the number of his credit weeks then available with respect to an employer.

(b) As to the first 20 credit weeks thus available, each such week shall, in determining the employe's total benefit credits, be valued at seven-tenths of his weekly benefit rate.

(c) As to additional credit weeks (over 20) thus available, each such week shall, in determining the employe's total benefit credits, be valued at eight -tenths of his weekly benefit rate.

(d) The total benefit credits thus resulting under any benefit determination, based on its credit weeks and weekly benefit rate, shall be adjusted to the nearest multiple of one-half of said weekly benefit rate.

(e) No such determination shall allow benefits totaling more than 34 times its weekly benefit rate.

Note: Under the above provisions, benefit weeks are figured from one employer at a time, based on the number of work-weeks available from that one employer, as follows:

what's basis for listing anything before 16 weeks.

Work-Weeks	Benefit Weeks	Work-Weeks	Benefit Weeks	Work-Weeks	Benefit Weeks
1	½	16	11	31	23
2	1½	17	12	32	23½
3	2	18	12½	33	24½
4	3	19	13½	34	25
5	3½	20	14	35	26
6	4	21	15	36	27
7	5	22	15½	37	27½
8	5½	23	16½	38	28½
9	6½	24	17	39	29
10	7	25	18	40	30
11	7½	26	19	41	31
12	8½	27	19½	42	31½
13	9	28	20½	43	32½
14	10	29	21	44	33
15	10½	30	22	45 or more	34

108.06 (3)

(3) DURATION OF LIABILITY. (a) In no case shall the fund remain or be liable to pay benefits to an employe, based on his employment by a given employer, for any unemployment occurring more than 52 weeks after the close of the employe's most recent week of employment by such employer.

(b) Once a determination has been made under s. 108.09 as to the amount of benefits potentially payable to an employe based on his available credit weeks with respect to a given employer, all benefits thereafter payable to the employe based on credit weeks from that employer shall be paid in accordance with that determination, until it ceases to apply.

(c) A given determination shall cease to apply only when all benefit credits available thereunder have been charged or canceled, or as to unemployment occurring more than 52 weeks after the close of the employe's most recent credit week included in such determination.

(d) Credit weeks included in a given benefit determination shall not be available for use in any subsequent benefit determination.

(e) To determine qualifying employment under s. 108.04 (4) (a), and any other subsequently determined benefit rights, the commission shall count all weeks of employment covered by an employer's report and all credit weeks included in any benefit determination as if they had all occurred consecutively during the most recent part of the period covered by the given report or determination.

108.061 BENEFIT ADJUSTMENTS FOR CERTAIN VETERANS.

(1) The commission may take any administrative action it deems necessary or desirable to co-operate fully under title IV, unemployment compensation for veterans (of service on or after June 27, 1950), of the federal veterans' readjustment assistance act of 1952 (P. L. 550; 66 Stat. 663), including any amendment of said title IV.

(2) As to any veteran qualified under said title IV, who qualifies for benefits under this chapter, if his benefit determination hereunder would, but for this section, specify a weekly benefit rate of less than $26 (or less than such higher weekly amount as may then apply under said title IV), his benefit rights under said determination shall be adjusted as follows:

(a) His maximum benefit credits, as they would be determined under s. 108.06 (2) without applying this section, shall, if not an

exact multiple of one-half of $26 (or of one-half of such higher weekly amount as may then apply under said title IV), be adjusted to the next higher such multiple; and

(b) His weekly benefit rate shall be $26, or such higher weekly amount as may then apply under said title IV.

(3) As to any such qualified veteran, whose weekly benefit rate is less than $26 (or less than such higher weekly amount as may then apply under said title IV) under a benefit determination applicable when this section (or any higher weekly amount which may later apply under said title IV) takes effect, his benefit credits then remaining under said determination shall, by a substitute determination, be similarly adjusted, as specified in sub. (2) (a), and a weekly benefit rate of $26 (or such higher weekly amount as may then apply under said title IV) shall apply to all further payments thereunder.

108.07 LIABILITY OF SEVERAL EMPLOYERS.

(1) (a) In case an employe is unemployed and eligible as to 2 or more employers in the same week, and has claimed benefits, he shall, for the purposes of this subsection and s. 108.04 (13), be deemed to have claimed benefits from the account of each employer; but his benefits for such unemployment in such week shall be paid only from the account of that one of such employers by whom he was most recently employed, except as provided in this section.

(b) After an employe has become eligible for a benefit check under a given benefit determination, he shall, while it remains valid under s. 108.06 (3), be eligible for benefits solely under that determination, except while it is suspended under s. 108.04.

(2) In case an employe has usually performed services in the same week for 2 or more employers, under an arrangement between such employers, the commission may combine his wages and his employment from such employers to determine his benefit rights under s. 108.05 and 108.06 as if such wages and employment had been from a single employer, and may pay benefits accordingly, and may prorate the resulting benefit charges between the accounts of such employers, by such methods as it deems fair and reasonable. The commission may temporarily charge such benefit payments to the fund's balancing account, pending their pro rata allocation to the accounts of such employers.

(3) In case an employe, to whom no benefit determination then applies, becomes unemployed and eligible as to 2 or

more employers, the commission may, if it finds that applying sub. (1) (a) would be grossly inequitable to the employe, determine and use first his most fairly representative benefit rights.

(4) Once a benefit determination has been issued to an employe based on his work for a former employer, benefit payments and charges thereunder shall not be affected by any later determination that a subsequent employing unit was also a covered employer.

108.08 NOTIFICATION. (1) To receive benefits for any given week of his unemployment an employe shall give notice to the commission with respect to such week of unemployment, through a public employment office, within such time limit and in such manner as the commission may by rule prescribe.

(2) The commission may require from any or each employer notification of the partial or total unemployment of his employes, within such time, in such form, and in accordance with such rules as the commission may prescribe.

108.09 SETTLEMENT OF BENEFIT CLAIMS

(1) FILING. Claims for benefits shall be filed pursuant to general commission rules, either at the public employment office for the district or as the commission's rules may otherwise direct; provided that the commission may waive the filing of a claim directly by the employe himself, for benefits from a given employer's account, where due notice of the employe's unemployment is given the employer by the commission or is given the commission by the employer, which notice shall in either of such cases serve as a claim for benefits. The employer from whose account benefits are claimed (whether directly by the employe or through the commission) shall promptly inform the commission in writing of his acceptance or rejection of such claim, together with his reasons therefor.

(2) INITIAL DETERMINATION. A deputy designated by the commission shall promptly determine whether or not the claim is valid and the amount of benefits apparently payable thereunder, and shall also determine whenever necessary whether or not the employe's eligibility for benefits has been suspended or terminated; provided however, that the

deputy may set aside or amend a determination at any time on the basis of subsequent information or to correct a clerical mistake. A copy of each determination shall be mailed to the last known address of each of the parties. Either party to the determination may request a hearing as to any matter therein, by filing such request within 10 days after such mailing and in accordance with procedure prescribed by the commission; except that the employer may not request a hearing with respect to benefits already paid in accordance with his concession of liability.

(2m) In any case in which an employe has filed a claim for benefits from an employer's account, the employe's statement may be taken as to his eligibility, weekly benefit rate, and credit weeks. In any such case a commission deputy may issue a determination as to the employe's benefit rights, based on the employe's statement and on any other information then available. In accordance with sub. (2), such determination shall be mailed to the last known address of each of the parties, and either party to the determination may request a hearing as to any matter therein, by filing such request within 10 days after such mailing and in accordance with procedure prescribed by the commission; but the employer's request shall be valid only if his report (as to the eligibility, weekly benefit rate, and credit weeks of the employe) is included in (or, if filed earlier, incorporated by specific reference in) such request.

(2r) The employe's copy of any benefit determination may be given to him, instead of being mailed to him; and he may in that event request a hearing as to any matter therein by duly filing such request within 10 days after such delivery.

(3) APPEALS. Unless such request for a hearing is withdrawn, each of the parties shall be afforded reasonable opportunity to be heard, and the claim thus disputed shall be promptly decided by such appeal tribunal as the commission may designate or establish for this purpose, or by the commission as provided in sub. (6). If the party requesting a hearing fails to appear at the hearing, a commission examiner designated for this purpose may dismiss the appeal, provided that due notice of the hearing was mailed to the party's last known address and good cause for his failure to

appear has not been shown said examiner within 10 days after the hearing date. If the other party fails to appear at the hearing, the appeal tribunal shall proceed with the hearing, provided that due notice of the hearing was mailed to said party's last known address, and may issue its decision without further hearing, provided that good cause for his failure to appear has not been shown said examiner within 10 days after the hearing date.

(3m) REPORTS BY EXPERTS. The contents of verified reports by qualified experts shall be received in evidence in any proceeding under this section, in the same manner and subject to the same conditions as would apply to such reports under s. 102.17 (1) (as).

(4) APPEAL TRIBUNALS. To hear and decide a disputed claim, the commission shall establish an appeal tribunal. Any such tribunal may consist of 1 or 3 full-time salaried examiners; or it may consist of an appeal board composed of 1 full-time salaried examiner who shall serve as chairman, and of 2 other members appointed by the commission, namely an employer or representative of employers and an employe or representative of employes, who shall each be paid a fee of not more than $10 per day of active service on such tribunal (plus necessary expenses). No person shall hear any case in which he is a directly interested party. The chairman of such an appeal board shall act for it at any session in the absence of one or both other members, provided they have had due notice of such session.

(5) PROCEDURE. (a) The manner in which claims shall be presented, the reports thereon required from the employe and from employers, and the conduct of hearings and appeals shall be governed by general commission rules (whether or not they conform to common law or statutory rules of evidence and other technical rules of procedure) for determining the rights of the parties.

(b) All testimony at any hearing under this section shall be taken down by a stenographer, or by a recording machine, but need not be transcribed unless either of the parties requests a transcript prior to expiration of his right to further appeal hereunder and pays to the commission in advance a fee of $5 therefor, plus 25 cents for each page by which the transcript exceeds 20 pages. When a transcript is thus furnished one of the parties at his request, a copy of

the transcript shall be furnished the other party free of charge. The transcript fee thus collected shall be paid to the administration fund.

(6) COMMISSION REVIEW. (a) At any time before a deputy's determination or an appeal tribunal's decision on a claim is mailed to the parties, the commission may transfer the proceedings on the claim from such deputy or appeal tribunal to itself.

(b) Either party may petition the commission for review of an appeal tribunal decision, pursuant to general commission rules, within 10 days after it was mailed to his last known address. Promptly after the filing of such a petition, the commission may either dismiss it as not timely at any level or may affirm, reverse, change, or set aside such decision, on the basis of the evidence previously submitted in such case, or direct the taking of additional testimony.

(c) Within 10 days after expiration of the right of the parties to request a hearing by an appeal tribunal or to petition for review by the commission, or within 30 days after a decision of the commission was mailed to the parties, the commission may on its own motion reverse, change, or set aside the determination or decision, on the basis of evidence previously submitted in such case, or direct the taking of additional testimony.

(d) After an employe's eligibility for benefits has been established by a commission decision or affirmance of the appeal tribunal decision, benefits then due the employe shall be payable to him on the eleventh day after such commission decision or affirmance, unless the commission finds, by resolution duly entered in its minutes, that the case involves an issue of precedenting importance or a labor dispute issue or the actual or potential eligibility of a substantial number or percentage of the employer's employes, in which event such benefits shall become payable only if judicial review has not been duly commenced under sub. (7) or has finally allowed benefits. In case final adjudication determines that benefits paid under this subsection were improperly charged

against the employer's account, s. 108.16 (2m) shall apply to the charging and recovery of such payments.

(7) JUDICIAL REVIEW. Either party may commence judicial action for the review of a decision of the commission hereunder, provided said party (after exhausting the remedies provided hereunder) has commenced such judicial action within 30 days after a decision of the commission was mailed to his last known address (or within 30 days after the appeal tribunal decision has been affirmed by the commission through its failure to act). Any judicial review hereunder shall be confined to questions of law, and the other provisions of ch. 102 with respect to judicial review of orders and awards shall likewise apply to any decision of the commission reviewed under this section. Any such judicial action may be defended, in behalf of the commission, by any qualified attorney who is a regular salaried employe of the commission and has been designated by it for this purpose, or at the commission's request by the attorney-general.

(8) LIMITATION OF FEES. No employe shall be charged fees of any kind by the commission or its representatives, in any proceeding under this chapter. Any employe claiming benefits in any commission proceeding may be represented by counsel or other duly authorized agent; but no such counsel or agents shall together charge or receive from the employe for such services more than 10 per cent of the maximum benefits at issue in such proceedings, unless the commission has first approved a specified higher fee.

108.10 SETTLEMENT OF ISSUES OTHER THAN BENEFIT CLAIMS.

(1) In connection with any issue arising under this chapter as to any liability, of an employer of one or more persons in Wisconsin, for which no review is provided under s. 108.09 and with respect to which no penalty is provided in s. 108.24, the following procedure shall apply:

(2) A deputy designated by the commission for the purpose shall investigate the existence and extent of any such liability, and may issue an initial determination accordingly; provided, however, that such a deputy may set aside or amend any such determination at any time on the basis of

subsequent information or to correct a clerical mistake. A copy of each determination shall be mailed to the last known address of the employer affected thereby. The employer may request a hearing as to any matter therein, by filing such request with the deputy within 20 days after such mailing and in accordance with such procedure as the commission may by rule prescribe.

(3) Any hearing duly requested shall be held before an appeal tribunal established in the manner provided by s. 108.09(4), and s. 108.09(5) shall be applicable to the proceedings before such tribunal. Within 20 days after the appeal tribunal's decision has been mailed to the employer's last known address, he may petition the commission for review thereof pursuant to general commission rules, or the commission on recommendation of counsel may on its own motion transfer the proceedings to itself and reverse, change, or set aside the decision of the appeal tribunal on the basis of evidence previously submitted in such case, or direct the taking of additional testimony.

(4) The commission's authority to take action as to any issue or proceeding under this section shall be the same as that specified in s. 108.09 (6) (a), (b), and (c).

(5) The employer may commence action for the judicial review of a commission decision hereunder, provided said employer, after exhausting the remedies provided hereunder, has commenced such action within 30 days after such decision was mailed to his last known address or within 30 days after the appeal tribunal decision has been affirmed by the commission through its failure to act. The scope of judicial review, and the manner thereof insofar as applicable, shall be the same as that provided in s. 108.09 (7).

(6) The mailing of determinations and decisions provided in subs. (2), (3), (4), and (5) shall be first class, and may include the use of services performed by the postal department requiring the payment of extra fees.

(7) Any determination by a deputy or any decision by an appeal tribunal or by the commission shall become conclusive with respect to the employer unless he has acted to secure a hearing or review as hereinbefore provided, but shall be binding on the commission only in so far as the

relevant facts were included in the record which was before the deputy, appeal tribunal, or commission at the time the determination or decision was issued.

108.11 AGREEMENT TO CONTRIBUTE BY EMPLOYES VOID. (1) No agreement by an employe or by employes to pay any portion of the contributions required under this chapter from employers shall be valid. No employer shall make a deduction for such purpose from wages. Any employe claiming a violation of this provision may, to recover wage deductions wrongfully made, have recourse to the method set up in s. 108.09 for settling disputed benefit claims.

(2) But nothing in this chapter shall affect the validity of voluntary arrangements whereby employes freely agree to make contributions to a fund for the purpose of securing unemployment compensation additional to the benefits provided in this chapter.

108.12 WAIVER OF BENEFIT VOID. No agreement by an employe to waive his right to benefits or any other rights under this chapter shall be valid. No employe shall, in any proceeding involving benefits under this chapter, be prevented from asserting all facts relevant to his eligibility, regardless of any prior erroneous representation with respect to such facts.

108.13 ASSIGNMENT. (1) No claim for benefit under this chapter nor any interest in any unemployment benefit fund or reserve maintained under this chapter shall be assignable before payment, but this provision shall not affect the survival thereof; nor shall any claim for benefit awarded, adjudged, or paid, nor any interest in any such unemployment benefit fund or reserve, be subject to be taken for the debts of the party entitled thereto.

(2) In case an employe dies after the close of a week of unemployment in which he was eligible and for which benefits are payable under this chapter, the commission may designate any person who might in its judgment properly receive such benefits, and a receipt or an endorsement from the person so designated shall fully discharge the fund from liability for such benefits.

108.14 ADMINISTRATION. (1) This chapter shall be administered by the industrial commission.

(2) The commission shall have power and authority to adopt and enforce all rules and regulations which it finds necessary or suitable to carry out the provisions of this chapter. A copy of such rules and regulations shall be delivered to every person making application therefor. The commission may require from employers, whether subject to this chapter or not, any reports on employment, wages, hours and related matters which it deems necessary to carry out the provisions of this chapter.

(2m) In the discharge of their duties under this chapter any member of an appeal tribunal, and any deputy, examiner, commissioner, or other duly authorized representative of the commission shall have power to administer oaths to persons appearing before them, take depositions, certify to official acts, and by subpoenas (served in the manner in which circuit court subpoenas are served) to compel attendance of witnesses and the production of books, papers, documents, and records necessary or convenient to be used by them in connection with any investigation, hearing, or other proceeding under this chapter. Provided, that in any investigation, hearing or other proceeding involving the administration of oaths or the use of subpoenas under this subsection due notice shall be given to any interested party involved, who shall be given an opportunity to appear and be heard at any such proceeding and to examine witnesses and otherwise participate therein. Witness fees and other expenses involved in proceedings under this chapter, including a party's travelling expenses, may be allowed by the appeal tribunal or representative of the commission at rates specified by general commission rules, and shall be paid from the unemployment administration fund.

(3) The commission may appoint, employ and pay as many persons as it deems necessary to administer and to carry out the purposes of this chapter, and may make all other expenditures of any kind and take any other action consistent herewith which it deems necessary or suitable to this end.

108.14 (3m)

(3m) In any court action to enforce the provisions of this chapter the commission and the state may be represented by any qualified attorney who is a regular salaried employe of the commission and is designated by it for this purpose, and/or at the commission's request by the attorney-general. In case the governor designates special counsel to defend, in behalf of the state, the validity of this chapter or of any provision of title IX of the federal social security act, the expenses and compensation of such special counsel and of any experts employed by the commission in connection with such proceeding may be charged to the administration fund.

(4) The commission may create as many employment districts and district appeal boards and may establish and maintain as many free public employment offices as it deems necessary to carry out the provisions of this chapter. The commission shall have power to finance either partly or completely such public employment offices as it deems necessary under this chapter, from the funds appropriated to the commission for its expenses under this chapter, whether or not the political subdivision in which such office is located agrees to pay or does pay any part of the expenses of such office.

(5) The commission shall appoint a state advisory committee on this chapter, and may appoint additional committees for industries or local districts. Each such committee shall consist of a salaried commission employe, who shall serve as chairman, and of one or more representatives of employers, and an equal number of representatives of employes, who shall receive for each day of active service such reasonable compensation as the commission may determine and reimbursement of necessary expenses, and shall assist the commission in administering and carrying out the purposes of this chapter.

(5m) The state advisory committee appointed by the commission under sub. (5) shall submit its recommendations with respect to amendments of this chapter to each regular session of the legislature, and shall report its views on any pending bill relating to this chapter to the proper legislative committee.

(6) It shall be one of the purposes of this chapter to promote the regularization of employment in enterprises, localities, industries and the state. The commission, with the advice and aid of its advisory employment committees, shall take all appropriate steps within its means to reduce and prevent unemployment. To this end the commission

may employ experts, and may carry on and publish the results of any investigations and research which it deems relevant, whether or not directly related to the other purposes and specific provisions of this chapter. At least once a year the commission shall compile and publish a summary report stating the experience of employer accounts (without naming any employer) and covering such other material as it deems significant in connection with the operations and purposes of this chapter.

(7) The reports, records, files, accounts, papers and memoranda, of any nature whatsoever, received or made or maintained by the commission in connection with the administration of this chapter shall be open to public inspection only when and to the extent that the commission may allow such inspection as it deems advisable in the interests of effective administration. The commission may provide for the printing and distribution of such number of copies of any forms, records, decisions, regulations, rules, pamphlets or reports, related to the operation of this chapter, as it deems advisable for the effective operation thereof.

(8) (a) The commission may enter into administrative arrangements with any agency similarly charged with the administration of any other unemployment compensation law, for the purpose of assisting the commission and such agencies in paying benefits under the several laws to employes while outside their territorial jurisdictions. Such arrangements may provide that the respective agencies shall, for and on behalf of each other, act as agents in effecting registration for work, notices of unemployment, and any other certifications or statements relating to an employe's claim for benefits, in making investigations, taking depositions, holding hearings, or otherwise securing information relating to coverage or contribution liability or benefit eligibility and payments; and in such other matters as the commission may consider suitable in effecting the purpose of these administrative arrangements.

(b) The eligibility of an employe with respect to a benefit claim (based on past credit weeks under this chapter) may be established through arrangements authorized in this subsection, and he shall then be paid the benefits due him under this chapter.

(c) Any person who wilfully makes a false statement or misrepresentation regarding a benefit claim, to the commission (or its representative) acting under any administrative arrangement authorized herein, shall on conviction be deemed guilty of a misdemeanor and be punished in the manner provided in s. 108.24.

108.14 (8m)

(8m) (a) The commission may enter into reciprocal arrangements, with any agency administering another unemployment compensation law, whereby all the services performed by an individual for a single employing unit, which services are customarily performed in more than one state or jurisdiction, shall be deemed to be employment covered by the law of a specified state or jurisdiction (a) in which a part of such services are performed, or (b) in which such individual has his residence, or (c) in which such employing unit maintains a place of business; provided there is in effect, as to such services, an election by such employing unit, approved by the agency administering the specified law, pursuant to which all the services performed by such individual for such employing unit are deemed to be employment covered by such law.

(b) If the federal unemployment tax act is so amended as to make subject thereto remuneration paid for any maritime employment excluded under s. 108.02 (5) (g) 6, such exclusion under this chapter shall cease if the commission enters into a reciprocal arrangement with respect to such employment pursuant to this paragraph, as of the effective date of such arrangement. The commission may enter into reciprocal arrangements with the appropriate agencies of other states with respect to such maritime services, whereby all such services by an individual for a single employer, wherever performed, shall be deemed performed wholly within this state or within any such other state. Any such services thus deemed performed in Wisconsin shall also be deemed "employment" covered by this chapter, and the election requirement of s. 108.02 (5) (c) 2 shall not apply.

(8n) (a) The commission may enter into reciprocal arrangements, with any agency administering an unemployment compensation law, to provide more equitable benefit coverage for individuals whose recent work has been covered by the unemployment compensation laws of two or more jurisdictions.

(b) Such arrangements may provide, as to any individual whose employment has been covered by this chapter and by the unemployment compensation law of one or more other participating jurisdictions, for transfer by the commission to another agency of relevant records or information, and the acceptance and use thereof (in combination with similar data from other jurisdictions) by such other agency, as a basis for determining and paying benefits under the law administered by such other agency. Reciprocally, such arrangements may provide for similar acceptance, combination and use by the commission of data received from other jurisdictions to determine and pay benefits under this chapter.

(c) Such arrangements shall provide for mutual acceptance by the participating agencies of data thus supplied, including reasonable estimates of relevant data not otherwise available in the transferring agency.

(d) Such arrangements shall specify an equitable basis for reimbursing the unemployment fund of each participating jurisdiction

for any benefits paid therefrom on the basis of covered employment in (and data supplied by the agency of) another such jurisdiction, out of the unemployment fund of such other jurisdiction.

(e) Any reimbursement under this subsection shall if paid from the fund be charged to its balancing account and if paid to the fund be credited to that account. Benefits paid under this subsection directly from the fund shall also be charged to its balancing account, except that any benefits thus paid shall be charged to the proper employer account to the extent that they would be paid and thus charged if this subsection were not being applied.

(f) To facilitate the application of such arrangements to this chapter, the commission may make reasonable estimates to convert into weekly benefit rates and credit weeks the data received by it under such arrangements, and may determine and pay benefits accordingly.

(8s) If the agency administering another unemployment compensation law has overpaid benefits to an individual located in Wisconsin, and certifies to the commission the facts involved and that the individual is liable, under such law, to repay such benefits, and requests the commission to recover such overpayment, and agrees to reimburse the commission for any court costs incurred by it in such recovery efforts, the commission may in its own name, but acting as agent for such other agency, collect such overpayment by civil action, and shall pay the net amount recovered to such other agency. If benefits are currently payable under this chapter to such individual, the commission may, with notice to the individual, pay as much of such benefits to such agency as are necessary to satisfy the individual's indebtedness to such agency.

(9) The commission may make its records relating to the administration of this chapter available to the railroad retirement board, and may furnish the railroad retirement board, at the expense of said board, such copies thereof as said board deems necessary for its purposes. The commission may afford reasonable co-operation with every agency of the United States charged with the administration of any unemployment compensation law. The commission may make arrangements or agreements with the railroad retirement board, or any other agency of the United States charged with the administration of an unemployment compensation law, with respect to the establishment, maintenance and use of free employment service facilities, the taking and certifying of claims, the making of investigations, and the supplying of other information or services related to unemployment compensation. But the commission shall not make or renew any such arrangement or agreement unless it finds that its resulting administrative costs are approximately covered or offset by the facilities, services and payments to be made available thereunder by such federal agency. Any moneys received by the commission under this subsection shall be paid into the administration fund under s. 108.20.

108.14 (9m)

(9m) The commission may afford reasonable co-operation with any government agency charged with war-effort or post-war planning responsibilities or with the administration of any system of unemployment allowances or unemployment assistance or of any other program designed to prevent or relieve unemployment.

(10) For the purposes of s. 108.15 the commission's functions financed from the unemployment administration fund shall be treated as a separate budget subdivision, and any election made by the commission pursuant to s. 108.02 (5) (f) may be limited to individuals engaged in such functions.

(11) The commission may require any employer of one or more individuals in Wisconsin to make such arrangements as will reasonably assure the commssion that the employer will keep such records, make such reports, and pay such contributions as are required under this chapter. Any employer whom the commission has notified, through notice served on him or sent by registered mail to his last known address or served on him through the secretary of state pursuant to s. 180.825 (2), that he is required to make such arrangements, if he fails to do so within 20 days after such notification, may, through proceedings instituted by the commission in the circuit court of Dane county, be restrained from doing business in Wisconsin until he has made such arrangements.

(12) (a) Consistently with the provisions of pars. (8) and (9) of s. 303 (a) of title III of the federal social security act, all moneys received in the administration fund from any federal agency under said title III shall be expended solely for the purposes and in the amounts found necessary by said agency for the proper and efficient administration of this chapter.

(b) Consistently with said provisions of said title III, any such moneys, received prior to July 1, 1941, and remaining unencumbered on said date or received on or after said date, which, because of any action or contingency, have been lost or have been expended for purposes other than, or in amounts in excess of, those found necessary by said agency for the proper administration of this chapter, shall be replaced within a reasonable time. This paragraph is the declared policy of this state, as enunciated by the 1941 legislature, and shall be implemented as further provided in this subsection.

(c) If it is believed that any amount of money thus received has been thus lost or improperly expended, the commission on its own motion or on notice from said agency shall promptly investigate and determine the matter and shall, depending on the nature of its determination, take such steps as it may deem necessary to protect the interests of the state.

(d) If it be finally determined that moneys thus received have been thus lost or improperly expended, then the commission shall either make the necessary replacement from those administration

fund moneys specified in s. 20.440 (74) or shall submit, at the next budget hearings conducted by the governor and at the budget hearings conducted by the next legislature convened in regular session, a request that the necessary replacement be made by an appropriation from the general fund.

(e) This subsection shall not be construed to relieve this state of any obligation existing prior to its enactment with respect to moneys received prior to July 1, 1941, pursuant to said title III.

(13) The commission may, with the advice of its state advisory committee on this chapter, by general rule modify or suspend any provision of this chapter if and to the extent necessary to permit continued certification of this chapter under title III of the federal social security act and under ss. 3303 and 3304 of the federal unemployment tax act.

(14) The commission shall fully co-operate with the agencies of other states, and shall make every proper effort within its means, to oppose and prevent any further action which would in its judgment tend to effect complete or substantial federalization of state unemployment compensation funds or state employment security programs.

(15) The commission may make, and may co-operate with other appropriate agencies in making, studies as to the practicality and probable cost of possible new state-administered social security programs, and the relative desirability of state (rather than national) action in any such field.

(16) The commission shall have duplicated or printed, and shall distribute without charge, such employment security reports, studies and other materials (including the text of this chapter and instructional or explanatory pamphlets for employers or workers) as it deems necessary for public information or for the proper administration of this chapter; but the commission may collect a reasonable charge, which shall be credited to the unemployment administration fund, for any such item the cost of which is not fully covered by federal administrative grants.

(17) To help provide suitable quarters for the administration of this chapter at the lowest practicable long-run cost, the commission may, with the governor's approval and subject to all relevant statutory requirements, use part of the moneys available for such administration under s. 20.440 (73) and (74) to buy suitable real property, or to help construct suitable quarters on any state-owned land, or for the long-term rental or rental-purchase of suitable land and quarters. In each such case full and proper use shall be made of any federal grants available for the administration of this chapter.

108.15 FINANCING BENEFITS FOR PUBLIC EMPLOYES.

(1) BENEFIT PAYMENTS. (a) Benefits shall be payable to any public employe, if unemployed and otherwise eligible, based on his "employment" by any government unit which is an "employer" covered by this chapter. Section 108.03 (2) shall not apply.

(ah) Section 108.02 (5) (g) 7 shall not apply to any government unit covered by this section.

(b) The fund including its balancing account is hereby made available to finance such benefits, on a revolving basis, pending reimbursement thereof pursuant to this section.

(2) EXEMPTION OF GOVERNMENT UNITS FROM ADVANCE CONTRIBUTIONS. Government units are hereby exempted from the contribution requirements of s. 108.17 and 108.18.

(3) SUBSTITUTE REQUIREMENTS. In lieu of such contributions, each government unit shall reimburse the fund for benefits duly charged to its account, at such times and by such due dates as the commission shall by rule prescribe.

(4) EMPLOYER ACCOUNTS FOR GOVERNMENT UNITS. (a) For each government unit covered by this chapter, the fund's treasurer shall maintain an "employer account", as a subaccount of the fund's balancing account.

(b) Each government unit's account shall be duly charged with any benefits based on work for such unit, and shall be duly credited with any reimbursement paid by or for it to the fund.

(c) Any government unit other than a state agency may at any time make payments into its account in the fund pursuant to s. 108.18 (7).

(d) Whenever a government unit's account has a positive net balance no reimbursement of the benefits charged thereto shall be required hereunder.

(e) Whenever a government unit's account has a negative balance, any benefits chargeable to such account shall be duly paid and charged thereto; and reimbursements covering the total negative balance thus resulting shall become due pursuant to this section.

(f) The write-off provisions of s. 108.16 (7) (c) shall not apply to the account of any government unit. In lieu thereof, any such unit may, if the benefits charged to its account hereunder in any calendar year exceed 2 per cent of its "payroll" for that year, request the write-off of such excess at any time within the following calendar year. The fund's treasurer shall in that event determine and write off the amount of such excess, and no reimbursement thereof shall be required hereunder.

(fm) As applied to any government unit which has limited its election by excluding one or more of its operating units, the "2 per cent" limit of par. (f) shall be figured on the "payroll" of all its operating units, as if all were covered by its election.

(g) If any government unit covered by this chapter requests the commission to maintain separate accounts for parts of such unit which are separately operated or financed, the commission may do so for such periods and under such conditions as it may from time to time determine.

(5) REIMBURSEMENTS. (a) Each government unit which is an "employer" shall include in its budget for each budgetary period an estimated amount for payment of the reimbursements required by this section, including in each case any reimbursement remaining unpaid for the current or any prior period.

(b) The fund's treasurer shall, pursuant to commission rules, bill each such government unit for the reimbursements required under this section, and any reimbursement thus billed shall be promptly paid by such government unit.

(c) Reimbursements due hereunder from budget subdivisions of the state shall be paid pursuant to sub. (7).

(d) Reimbursements due hereunder from other government units shall, if they remain unpaid after their due date, be collected pursuant to sub. (6) or pursuant to any other applicable provision of law.

(6) DELINQUENT PAYMENTS. (a) Any reimbursement, duly billed hereunder, which remains unpaid after its applicable due date is a "delinquent payment" under s. 108.22 (1).

(b) Whenever a government unit's "delinquent payments" (including interest and penalties thereon) total more than the benefits duly charged to such unit's account for the 6 most recent months, a commission deputy shall so determine under s. 108.10.

(c) If such delinquency is finally established pursuant to s. 108.10, the fund's treasurer shall promptly notify such government unit accordingly, and shall also, in case such unit receives a share of any state tax or any type of state aid, certify to the state treasurer the existence and amount of such delinquency.

(d) Upon receipt of such certification, the state treasurer shall withold, from each sum of any such tax or aid thereafter payable to the government unit, until the delinquency is satisfied, the lesser of the following amounts:

1. The delinquent amount thus certified; or
2. One-half the sum otherwise payable to such government unit.

(e) Any amount withheld by the state treasurer under par. (d) shall be paid by him to the fund's treasurer, who shall duly credit such payment toward satisfying the delinquency.

(7) STATE COMPLIANCE AND APPROPRIATIONS. (a) Each of the state's budget subdivisions is a "government unit" under this section, and shall be and remain a covered "employer" with a separate employer account for all purposes under this chapter.

(b) Each such subdivision's reimbursements payable under this section shall be duly paid to the fund, upon filing by the fund's treasurer, through such subdivision, of a certificate to the department of administration specifying the amount of reimbursement due and the appropriation apparently chargeable.

(c) Each such subdivision shall have each such reimbursement amount charged to and deducted from its proper fund or appropriation, unless the commissioner of administration certifies that a stated amount thereof cannot be thus charged, in which event that amount shall be charged to the general fund under such certification.

(8) REPORTING. (a) Each government unit which is an "employer" shall give such suitable benefit notices to its employes as the commission may direct, and shall make benefit reports to the commission under the same conditions as apply to other employers.

(b) Each government unit shall designate one or more officers or employes who shall be responsible for filing the required benefit reports, and shall inform the commission as to the name and address of each person so designated. If it designates more than one such person, it shall specify for what groups or classes of employes each will report. Section 108.24 (2) applies to each person so designated.

(9) TERMINATION. (a) Any government unit which is subject to this chapter solely by its own election may terminate such coverage and election by written notice to the commission, pursuant to s. 108.02 (4) (f).

(b) In that event, any benefits payable to the employes of such government unit for any week of unemployment completed before the termination date shall be paid; but no other benefits shall become payable to such employes, based on their previous covered work, after any positive net balance then remaining in such unit's account has been used up by a benefit check which equals or exceeds such balance.

(10) ALLOCATING SALARY. In case a government unit, under its salary system, continues and pays a public employe's salary for any day on which he does no work for such unit, the amount of salary he thus receives for any such day shall be considered in determining whether he is unemployed for benefit purposes.

108.16 UNEMPLOYMENT RESERVE FUND.

(1) For the purpose of carrying out the provisions of this chapter there is established a fund to be known as the "Unemployment Reserve Fund," to be administered by the commission without liability on the part of the state beyond the amount of the fund. This fund shall consist of all contributions and moneys paid into and received by the fund pursuant to this chapter and of properties and securities acquired by and through the use of moneys belonging to the fund.

(2) (a) A separate employer's account shall be maintained by the commission as to each employer contributing to said fund.

(b) Each employer's account shall be credited with all his contributions paid into the fund, and shall be charged with all benefits duly paid from the fund to his employes based on their past employment by him, except as otherwise specified in this chapter.

(c) Any reference in this chapter to eligibility for, or to payment of, benefits "from an employer's account", or any similar reference, shall mean benefits payable or paid from the fund based on past employment by the employer in question.

(d) The fund shall be mingled and undivided, and nothing in this chapter shall be construed to grant to any employer or employe any prior claim or right to any part of the fund.

(e) Benefits to be "charged" against a given employer's account shall be so charged as of the date shown by the check covering such benefits; and such check shall be promptly mailed and shall, in determining the experience or status of such account for contribution purposes, be deemed "paid" on said date.

(f) The commission shall promptly advise the employer as to each benefit check thus charged to his account.

(2m) If a commission deputy finds that any benefits charged to an employer's account have been erroneously paid to an individual without fault by the employer, such individual and such employer and the fund's treasurer shall be notified as to such erroneous payment. In case benefits are currently payable to such individual from such employer's account, the deputy may correct the error by adjusting such benefits accordingly. To correct any error not thus adjusted, the fund's treasurer shall correct the fund's records by restoring the proper amount to the employer's account and by charging such amount to the fund's balancing account, and may at any time thereafter reimburse the balancing account by crediting to it benefits which would otherwise be payable to the individual in question or cash recovered from such individual.

(3) (a) As to any benefit overpayment still outstanding more than 6 years after the claimant's liability to reimburse the fund was duly established under s. 108.22 (8), the fund's treasurer shall write off and waive recovery of such overpayment, upon receipt of a certification by a commission deputy that reasonable efforts have been made to recover such overpayment.

(b) Any such waiver shall be recorded as satisfying any warrant then outstanding under s. 108.22 (8) as to such overpayment.

(4) Consistently with sub. (5), all contributions payable to the unemployment reserve fund shall be paid to the industrial commission, and shall promptly be deposited by the commission to the credit of the unemployment reserve fund, with such custodians as the commission may from time to time select, who shall hold, release and transfer the fund's cash in a manner approved by the commission. Payments from said fund shall be made upon vouchers or drafts authorized by the industrial commission, in such manner as the commission may from time to time approve or prescribe. Any procedure thus approved or prescribed shall be deemed to satisfy (and shall be in lieu of) any and all statutory requirements (for specific appropriation or other formal release by state officers of state moneys prior to their expenditure) which might otherwise be applicable to withdrawals from the fund. The commission shall designate a treasurer of the unemployment reserve fund, who shall be either a regular salaried employe of the commission or the state treasurer and shall serve as treasurer of the fund until a successor designated by the commission has assumed the duties of this office. He shall give a separate bond conditioned upon his faithful performance of these duties pursuant to s. 19.01 (2), which bond shall be deemed likewise conditioned upon the faithful performance by his subordinates of their duties, in such amount as may be fixed by the industrial commission. All premiums upon the bond required pursuant to this section when furnished by an authorized surety company or by a duly constituted governmental bonding fund shall (except as otherwise provided in this section) be paid from the interest earnings of the unemployment reserve fund, but shall not exceed one-fourth of one per cent, per annum, of the amount of said bond.

(5) (a) All money received for the fund shall promptly upon such receipt be deposited to its credit in the "Unemployment Trust Fund" of the United States, in such manner as the secretary of the treasury of the United States (or other authorized custodian of said trust fund) may approve, so long as said trust fund exists and maintains for this state a separate book account (for the purposes of this chapter) from which no other state or agency can make withdrawals, any other statutory provision to the contrary notwithstanding.

(b) The commission shall requisition from this state's account in the "Unemployment Trust Fund" necessary amounts from time to time, shall hold such amounts consistently with any applicable federal regulations, and shall make withdrawals therefrom solely for benefits and for such other unemployment compensation payments or employment security expenditures as are expressly authorized by this chapter and consistent with any relevant federal requirements.

(c) While the state has an account in the "Unemployment Trust Fund," public deposit insurance charges on the fund's balances held in Wisconsin banks, the premiums on surety bonds required of the

fund's treasurer under this section, and any other expense of administration otherwise payable from the fund's interest earnings, shall be paid from the administration fund.

(6) The commission shall maintain within the fund a **"balancing account,"** to which shall be credited:

(a) All interest earnings, on moneys belonging to the fund, received by (or duly apportioned to) the fund, as of the close of the calendar quarter in which such interest accrued.

(b) Any reimbursement made pursuant to sub. (2m).

(c) Any balance credited to an employer's account, if and when he ceases to be subject to this chapter, except as provided in sub. (8).

(d) All amounts transferred from employer accounts pursuant to sub. (11).

(e) The amount of any benefit check duly issued and delivered or mailed to an employe, if such check has not been presented for payment within one year after its date of issue; provided that a substitute check may be issued and charged to the balancing account, at any time within the next following year.

(f) Any amount available for such crediting under s. 108.04 (11) or 108.07 (2) or 108.14 (8n) (e).

(g) Any payment received for the balancing account under s. 108.15.

(h) Any amount transferred to the balancing account pursuant to s. 108.161.

(i) Any federal reimbursement of benefits paid under any federal unemployment benefit program administered by the commission.

(6m) There shall be charged against the fund's balancing account:

(a) The benefits thus chargeable under (and pursuant to) s. 108.04 (7) (e); 108.07 (2); 108.14 (8n) (e); 108.15 (1) (b); or subs. (2m), (6) (e), (7) (a) and (b).

(b) Any benefits paid under any federal unemployment benefit program administered by the commission, pending their reimbursement.

(c) The overdraft write-offs thus chargeable under (and pursuant to) s. 108.15 (4) (f) or sub. (7) (c).

(d) Any negative balance of a closed employer account, except as provided in sub. (8).

(7) (a) All benefits shall be paid from the fund. All benefits duly chargeable to an employer's account shall be so charged, whether or not such account is overdrawn. All other benefits shall be charged to the fund's balancing account.

(b) Benefit payments made with respect to an employer's account shall be charged directly against the fund's balancing account only

when such payments cannot under this chapter be or remain charged against the account of any employer.

(c) Whenever, as of any computation date, the net overdrafts then charged against an employer's account would, even if reduced by any contributions known or subsequently discovered to be then payable but unpaid to such account, exceed 2 per cent of his annual payroll (namely, the payroll amount used in determining his reserve percentage as of that computation date), the fund's treasurer shall, solely for the purpose of computing future reserve percentages, write off (by charging directly to the fund's balancing account) the amount by which such overdrafts would (if thus reduced) exceed 2 per cent of said payroll; provided, however, that any employer whose account is affected thereby may at any time elect to cancel such write-off, by reimbursing the balancing account in such manner as the commission may prescribe.

(8) (a) **If the business of any "employer" is transferred** in whole or in part, the transferee shall be deemed a successor for the purposes of this chapter. An employing unit shall not be deemed a successor, however, if the commission finds that there were less than 20 weeks lying wholly within the calendar year in which the transfer occurred (and also less than 20 weeks lying wholly within the preceding calendar year) within which the transferring "employer" employed as many as 3 persons in employment subject to this chapter in connection with the business or portion thereof transferred. In case of the transfer of any of the assets of a covered employer's business by any means whatever, otherwise than in the ordinary course of trade, such transfer shall be deemed a transfer of business and shall constitute the transferee a successor hereunder, unless the commission, on its own motion or on application of an interested party, finds that all the following conditions exist:

1. The transferee has not continued or resumed the business of the transferor, either in the same establishment or elsewhere; and

2. The transferee has not employed substantially the same employes as those the transferor had employed in connection with the assets transferred.

(b) The successor, if not already subject to this chapter, shall become an "employer" subject hereto on the date of such transfer, and shall accordingly become liable for contributions hereunder from and after said date.

(c) The successor shall take over and continue the employer's account, including its plus or minus balance and all other aspects of its experience under this chapter, in proportion to the payroll or employes assignable to the transferred business as determined for the purposes of this chapter by the commission. The successor shall be secondarily liable for any amounts owed by the employer to the fund (and to the administration fund) at the time of such transfer; but such liability shall be proportioned to the extent of the transfer of business and shall not exceed the value of the assets transferred.

(d) The benefit liability of a successor's account under s. 108.06, if it has not accrued before the transfer date, shall begin to accrue on the transfer date, in case the transferor's benefit liability was then accruing; or shall begin to accrue on the date otherwise applicable to the successor, or on the date otherwise applicable to the transferor, whichever is earlier, in case the transferor's benefit liability was not accruing on the transfer date. Similarly, benefits from a successor's account, if not payable before the transfer date, shall become payable on the transfer date, in case the transferor was then liable for benefit payments; or shall become payable on the date otherwise applicable to the successor, or on the date otherwise applicable to the transferor, whichever is earlier, in case the transferor was not liable for benefit payments on the transfer date.

(e) The account taken over by the successor employer shall remain liable with respect to accrued benefit and related rights based on employment in the transferred business, and all such employment shall be deemed employment performed for such employer.

(f) The contribution rates applicable with respect to the accounts of the successor employer and the transferring employer shall be respectively determined or redetermined as of the next preceding December 31 computation date, to apply from the date of transfer of business until the close of the current calendar year, and shall thereafter be redetermined whenever required by s. 108.18, as follows: For the purposes of s. 108.18, the commission shall determine the "experience under this chapter" of the successor em-

ployer's account and of the transferring employer's account by allocating to the successor employer's account for each period in question the respective proportions of the transferring employer's payroll and benefits which the commission determines to be properly assignable to the business transferred.

(9) (a) Consistently with s. 3305 of the federal internal revenue code, relating to federal instrumentalities which are neither wholly owned by the United States nor otherwise exempt from the tax imposed by s. 3301 of said code:

1. Any contributions required and paid under this chapter for 1939 or any subsequent year by any such instrumentality, including any national bank, shall be refunded to such instrumentality in case this chapter is not certified with respect to such year under s. 3304 of said code.

2. No national banking association which is subject to this chapter shall be required to comply with any of its provisions or requirements to the extent that such compliance would be contrary to s. 3305 of said code.

(10) All money withdrawn from the fund shall be used solely in the payment of benefits, exclusive of expenses of administration, and for refunds of sums erroneously paid into the fund and for refunds payable under sub. (9), and for expenditures made pursuant to s. 108.161 and consistently with the federal limitations applicable thereto.

(11) If and when the fund's balancing account, as of the close of any month, has a net balance (after deducting the debit balances of any employer accounts then overdrawn and any positive balances of covered government units, and after crediting any benefit payments reimbursable by covered government units or by the federal government) of less than $10,000,000, the fund's treasurer shall promptly make a finding to that effect, which shall be published forthwith in the official state paper. As of the start of the first business day (hereinafter called "transfer date") which follows the close-of-month to which such a finding applies, the fund's treasurer shall transfer from employer accounts to the fund's balancing account such amounts as he determines pursuant to this subsection. The fund's treasurer shall compute a "transfer percentage", namely the lowest multiple of one-tenth of one per cent which would, if applied to the fund's entire net balance as of the start of the transfer date, produce a result of at least $5,000,000, and shall apply such transfer percentage to the net balance (as of the start of the transfer date) of each employer's account (other than government unit accounts) whose net balance is then positive, and shall transfer the amount resulting in each such

case from the given employer's account to the fund's balancing account, as of the start of the transfer date, and shall promptly notify each such employer accordingly.

(13) (a) As of the close of each fiscal year, ending June 30, the fund's treasurer shall determine the total of:

1. The fund's interest earnings, accrued in that year.

2. Any amount carried over from the preceding fiscal year pursuant to par. (d).

(b) He shall also determine the sum of:

1. The overdrafts written off within that year pursuant to sub. (7) (c) and s. 108.15 (4) (f).

2. The benefits charged against the fund's balancing account, within that year, pursuant to s. 108.04 (7) (e).

(c) He shall then determine the amount, if any, by which the total under par. (a) exceeds the sum under par. (b).

(d) If that excess amount is less than $1,500,000, it shall be carried over to the next fiscal year.

(e) If that excess amount is $1,500,000 or more, the fund's treasurer shall credit, by transfers from the fund's balancing account, at least 60 per cent of that excess amount to those employer accounts (including government unit accounts) which had positive balances at the close of the fiscal year, pursuant to this subsection.

(f) He shall first compute a "crediting percentage", namely the lowest multiple of one-tenth of one per cent which would, when applied to the total of all such positive balances, yield an amount at least equal to the said 60 per cent.

(g) The fund's treasurer shall then credit each such employer's account with the amount determined by applying that "crediting percentage" to the account's positive balance at the close of the fiscal year.

(h) Such crediting shall be completed, and each such employer shall be notified of the amount thus credited to his account, within 24 weeks after said close of year.

(i) If such crediting is done as to a fiscal year, the balance of that year's excess amount shall remain in the fund's balancing account and shall not be carried over under par. (a) 2.

108.161 ADMINISTRATIVE FINANCING ACCOUNT. (1) The fund's treasurer shall maintain within the fund an employment security "Administrative Financing Account", and shall credit thereto all amounts credited to the fund pursuant to the federal employment security administrative financing act (of 1954) and section 903 of the federal social security act, as amended.

(2) The requirements of said section 903 shall control any appropriation, withdrawal and use of any moneys in said account.

(3) Consistently with this chapter and said section 903, such moneys shall be used solely for benefits or employment security administration, including unemployment compensation, employment service and related statistical operations.

(4) Such moneys shall be encumbered and spent for employment security administrative purposes only pursuant to (and after the effective date of) a specific legislative appropriation enactment:

(a) Stating for which such purposes and in what amounts the appropriation is being made to the administration fund created by s. 108.20.

(b) Directing the fund's treasurer to transfer the appropriated amounts to the administration fund only as and to the extent that they are currently needed for such expenditures, and directing that there shall be restored to the account created by sub. (1) any amount thus transferred which has ceased to be needed or available for such expenditures.

(c) Specifying that the appropriated amounts are available for obligation solely within the 2 years beginning on the appropriation law's date of enactment.

(d) Limiting the total amount which may be so used during any fiscal year to the aggregate of all amounts credited under sub. (1) within that year and the 4 preceding fiscal years, reduced by the sum of any moneys used and charged against any of the amounts thus credited within those 5 years.

(5) The total of the amounts thus appropriated for use in any fiscal year shall in no event exceed the moneys available for such use hereunder, considering the timing of credits hereunder and the sums already spent or appropriated or transferred or otherwise encumbered hereunder.

(6) The fund's treasurer shall keep a record of all such times and amounts; shall charge each such sum against the earliest credits duly available therefor; shall include any sum thus appropriated but not yet spent hereunder in computing the fund's net balance as of the close of any month, in line with the federal requirement that any such sum shall (until spent) be deemed part of the fund; and shall certify the relevant facts whenever necessary hereunder.

(7) If any moneys appropriated hereunder are used to buy and hold suitable land, with a view to the future construction of an employment security building thereon, and if such land is later sold or transferred to other use, the proceeds of such sale (or the value of such land when transferred) shall be credited to the account created by sub. (1).

(8) If any sums are appropriated and spent hereunder to buy land and to build a suitable employment security building thereon, then any federal moneys thereafter credited to the fund or paid to the commission by way of gradual reimbursement of such employment security capital expenditures, or in lieu of the estimated periodic amounts which would otherwise (in the absence of such expenditures) be federally granted for the rental of substantially equivalent quarters, shall be credited to the account created by sub. (1), consistently with any federal requirements applicable to the handling and crediting of such moneys.

(8m) To the extent that employment security moneys finance the capital cost of acquiring office quarters, either in a separate employment security building project or in a larger state building, no rental for the quarters thus financed (or for equivalent substitute quarters) shall be charged the commission or its employment security functions at any time. The commission shall so certify, in applying for the federal moneys specified in sub. (8).

(9) Any land and building or office quarters acquired hereunder shall continue to be used for employment security purposes. Such realty or quarters shall not be sold or transferred to other use without the governor's approval. If thus sold or transferred, the proceeds of such sale, or the value of such realty or quarters when transferred, shall, except as federally approved equivalent substitute rent-free quarters are provided, be allocated and credited to the account created by sub. (1) and/or to the fund created by s. 108.20, in accordance with any then applicable federal requirements; and shall, to the extent said requirements permit, be used to finance employment security quarters.

(10) Any realty acquired hereunder shall be excluded from the 2 per cent building fund computation specified in s. 13.351 (3).

(11) If any money in the account created by sub. (1) ceases, by lapse of time, to be available for appropriation and administrative use pursuant hereto, the fund's treasurer shall transfer the amount thus unavailable to the fund's balancing account.

(12) As of the close of any month when the fund's treasurer would otherwise be required to make the finding and the transfers from employer accounts specified in s. 108.16 (11), he shall first transfer to the fund's balancing account any moneys then in the account created by sub. (1) which are unencumbered by appropriations hereunder.

108.17 PAYMENT OF CONTRIBUTIONS. (1) Contributions shall accrue and become payable by each employer then subject to this chapter on the first day of July, 1934, and shall be paid thenceforth in accordance with this chapter. Thereafter contributions shall accrue and become payable by any employer on and after the date on which he becomes newly subject to this chapter.

(1m) In the case of an employer who becomes, as of the beginning of 1937 or of any subsequent calendar year, newly subject to this chapter based on his employment during the given year, his contributions based on payrolls prior to the date on which his employment made him subject hereto shall not be considered as payable for the purposes of s. 108.22 until such subsequent date (ocurring within 60 days) as the commission may determine.

(2) All contributions required under this chapter from employers shall be paid to the industrial commission, at such times and in such manner as the commission may prescribe.

(2m) When a written statement of account is issued to an employer by the commission's unemployment compensation department, showing as duly credited a specified amount received from him under this chapter, no other form of state receipt therefor shall be required.

(3) If an employer (of any person) makes application to the commission to adjust an alleged overpayment by him of contributions or interest under this chapter, and files such application within 3 years after the close of the calendar year in which such payment was made, a commission deputy shall make a determination under s. 108.10 as to the existence and extent of any such overpayment, and the provisions of said section shall apply to such determination. As to any amount determined under said section to have been erroneously paid by the employer, the commission shall allow him a corresponding credit, without interest, against his future contribution payments; or, if the commission finds it impracticable to allow the given employer such a credit, it shall refund such overpayment to him, without interest, from the fund or the administration fund, as the case may be.

(4) However, in case an employer's contribution rate for any year has been incorrectly determined, it shall be corrected (and contributions shall be adjusted or become payable accordingly) only if due notice of such error is given during, or within 6 months after the close of, the calendar year to which such rate applies.

108.18 CONTRIBUTIONS TO THE FUND.

(1) STANDARD RATE. Each employer shall pay contributions to the fund at the "standard rate" of 2.7 per cent on his payroll for each calendar year, except as the commission duly assigns the employer a different rate (based on his experience under this chapter) pursuant to this section.

(2) INITIAL RATES. An employer's contribution rate shall be 2.7 per cent on his payroll for each of the first 3 calendar years with respect to which contributions are credited to his account, and shall not exceed 3 per cent for the fourth such year.

(3) REQUIREMENTS FOR REDUCED RATE. As to any calendar year, an employer shall be permitted to pay contributions to the fund at a rate lower than the standard rate only when, as of the applicable computation date:

(a) Benefits have been chargeable to the employer's account during the 2 consecutive years preceding such date; and

(b) Such lower rate applies under subs. (4) or (5); and

(c) Permitting him to pay such lower rate is consistent with the relevant conditions then applicable to additional credit allowance for such year under s. 3303(a) of the federal unemployment tax act, any other provision to the contrary notwithstanding.

(4) EXPERIENCE RATES. Except as otherwise specified in this section, an employer's contribution rate on his payroll for a given calendar year shall be based on the reserve percentage of his account as of the applicable computation date, as follows:

108.18 (4)

(a) If such reserve percentage is less than zero (because his account is overdrawn), such rate shall be 4 per cent.

(b) If such reserve percentage is zero or more, but less than 2 per cent, such rate shall be 3.5 per cent.

(c) If such reserve percentage is 2 per cent or more, but less than 4 per cent, such rate shall be 3 per cent.

(d) If such reserve percentage is 4 per cent or more, but less than 6 per cent, such rate shall be 2.5 per cent.

(e) If such reserve percentage is 6 per cent or more, but less than 7 per cent, such rate shall be 2 per cent.

(f) If such reserve percentage is 7 per cent or more, but less than 8 per cent, such rate shall be 1.5 per cent.

(g) If such reserve percentage is 8 per cent or more, but less than 9 per cent, such rate shall be one per cent.

(h) If such reserve percentage is 9 per cent or more, but less than 10 per cent, such rate shall be one-half of one per cent.

(i) If such reserve percentage is 10 per cent or more, such rate shall be zero per cent.

(5) LIMITATION. To prevent unduly sharp increases in contribution rates during bad years, an employer's contribution rate for any calendar year shall in no case exceed by more than one per cent (on payroll) the rate which applied to him at the close of the preceding calendar year. If the rate otherwise applicable to an employer under sub. (4) exceeds this limitation, his rate for the given calendar year shall be reduced to the next lower multiple of one-half of one per cent which is within this limitation.

(6) COMPUTATION IN SPECIAL CASES. If during the 2 years preceding a computation date an employer has been liable for contributions but has had no payroll, his reserve percentage as of that date shall be computed on the basis of his most recent year of some payroll; but his contribution rate for the year following the computation date shall in no case be less than one per cent.

(7) VOLUNTARY CONTRIBUTIONS. Any employer may at any time make payments to the fund, in excess of

the other requirements of this section. Each such payment shall be credited to the employer's account as of the date when paid, except that any such payment made during January shall be credited thereto as of the immediately preceding computation date; and each such payment shall be treated as a contribution required and irrevocably paid under this chapter with respect to payrolls preceding the date as of which it is thus credited.

(8) ADJUSTMENT OF RATES, IN BAD YEARS. (a) An adjusted schedule of experience rates shall apply for a given calendar year, to employers determined by the commission to be eligible therefor, under the conditions specified in this subsection, provided the fund's balancing account, as of the close of October 31 (namely 2 months before the start of such year), had a "net balance" determined as specified in s. 108.16 (11) of $25,000,000 or more.

(b) The commission shall determine, annually, by November 20, the gross wages paid in the most recent one-year period ended on June 30 by employers (except government units) covered by this chapter for their employment covered by this chapter, based on reports to the commission (including corrections thereof) filed by such employers within 3 months after said June 30, and shall record such determination in its minutes.

(c) 1. The commission shall compare the gross wages thus determined for said one-year period with the gross wages similarly determined, by the preceding November 20, for the preceding one-year period ended June 30. If such gross wages for the most recent of those one-year periods were lower than such gross wages for the preceding one-year period, the commission shall compute and determine and record in its minutes the percentage of decrease.

2. The commission shall add, to the percentage of decrease thus computed, so much of any percentage of decrease similarly computed in the preceding year (or then determined under this subdivision) as was not then fully used in applying pars. (d) through (h); and shall treat the resulting sum as the percentage of decrease applicable hereunder.

108.18 (8)

(d) If such percentage of decrease was 5 per cent or more, and if the close-of-October "net balance" of the fund's balancing account was $25,000,000 or more, the commission shall record in its minutes and have officially published, by December 15, the adjusted schedule of experience rates which applies hereunder for the ensuing calendar year.

(e) Before applying any such adjusted schedule, the commission shall compute, for each employer eligible for an experience rate for such calendar year, the "normal" rate (percentage) which would apply on his payroll for such year under subs. (1) through (7). The commission shall then use the applicable adjusted schedule, by applying to that payroll, in lieu of the relevant "normal" rate shown on line 1 thereof, the corresponding "adjusted" rate (percentage) shown on line 2 thereof directly below said "normal" rate.

(f) If the percentage of decrease determined under par. (c) was 5 per cent or more but less than 10 per cent, the adjusted rates on payroll shown on line 2 shall apply, in lieu of the normal rates on payroll shown on line 1, as follows:

	Percentage on Payroll								
Line 1. Normal:	0	0.5	1.0	1.5	2.0	2.5	3.0	3.5	4.0
Line 2. Adjusted:	0	0.5	0.9	1.3	1.8	2.2	2.6	3.1	3.6

(g) If the percentage of decrease determined under par. (c) was 10 per cent or more but less than 15 per cent, the adjusted rates on payroll shown on line 2 shall apply, in lieu of the normal rates on payroll shown on line 1, as follows:

	Percentage on Payroll								
Line 1. Normal:	0	0.5	1.0	1.5	2.0	2.5	3.0	3.5	4.0
Line 2. Adjusted:	0	0.4	0.8	1.2	1.6	2.0	2.4	2.8	3.2

(h) If the percentage of decrease determined under par. (c) was over 15 per cent, the adjusted rates on payroll shown on line 2 shall apply, in lieu of the normal rates on payroll shown on line 1, as follows:

	Percentage on Payroll								
Line 1. Normal:	0	0.5	1.0	1.5	2.0	2.5	3.0	3.5	4.0
Line 2. Adjusted:	0	0.3	0.7	1.1	1.4	1.7	2.1	2.5	2.9

(i) As to any employer newly covered by this chapter, whose liability for contributions hereunder first begins to accrue on wages paid in 1955 or thereafter, his gross wages paid for employment covered by this chapter shall be included in the determinations and computations made by the commission under pars. (b) and (c) when, and only when, he has been liable for contributions hereunder throughout both of the 2 most recent one-year periods covered by such determinations and computations; and any determination previously made for the earlier of those one-year periods shall be corrected accordingly in making the next computation required under par. (c).

(j) The fund's treasurer shall determine annually, by November 21:

1. The net total of all benefits paid by the fund (excluding benefits financed by the federal government) in the most recent one-year period ended on October 31; and

2. One percent of the gross wages total most recently determined and recorded under par. (b); and

3. The amount, if any, by which that benefit total exceeds that one percent.

(k) Subject to pars. (a) and (e), if the excess amount thus determined under par. (j) 3 is:

1. More than $10,000,000 but not over $20,000,000, the adjusted schedule of experience rates specified by par. (f) shall apply for the ensuing calendar year.

2. More than $20,000,000 but not over $30,000,000, the adjusted schedule of experience rates specified by par. (g) shall apply for the ensuing calendar year.

3. More than $30,000,000, the adjusted schedule of experience rates specified by par. (h) shall apply for the ensuing calendar year.

(l) In November 1958 and in November 1959 the fund's treasurer shall, in determining under par. (j) the net total of all benefits paid by the fund within the relevant period, include the benefits paid pursuant to s. 108.162.

108.19 CONTRIBUTIONS TO THE ADMINISTRATION FUND. (1) Each employer subject to this chapter shall regularly contribute to the unemployment administration fund created in s. 108.20 at the rate of two-tenths of one per cent per annum on his payroll as defined in s. 108.02. But the commission may prescribe at the close of any fiscal year such lower rates of contribution under this section, to apply to classes of employers throughout the ensuing fiscal year, as will in the commission's judgment adequately finance the administration of this chapter, and as will in the commission's judgment fairly represent the relative cost of the services rendered by the commission to each such class.

(2) If the commission finds, at any time within a fiscal year for which it has prescribed lower contribution rates to the administration fund than the maximum rate permitted hereunder, that such lower rates will not adequately finance the administration of this chapter or are excessive for that purpose, the commission may by general rule prescribe a new schedule of rates (in no case exceeding the specified maximum) to apply under this section for the balance of the fiscal year.

(3) If the federal unemployment tax act is amended to permit a maximum rate of credit against said federal tax higher than the 90 per cent maximum rate of credit now permitted under s. 3302 (c) (1) of the internal revenue code, to an employer with respect to any state unemployment compensation law whose standard contribution rate on payroll under said law is more than 2.7 per cent, in that event the standard contribution rate as to all employers under this chapter shall, by a commission rule to be issued with the governor's approval, be increased from 2.7 per cent on payroll to that percentage on payroll which corresponds to the higher maximum rate of credit thus permitted against the federal unemployment tax; and such increase shall become effective on the same date as such higher maximum rate of credit becomes permissable under such federal amendment.

(4) If s. 303 (a) (5) of title III of the social security act and s. 3304 (a) (4) of the internal revenue code are amended to permit a state agency to use, in financing administrative expenditures incurred in carrying out its employment security functions, some part of the moneys collected or to be collected under the state unemployment compensation law, in partial or complete substitution for grants under said title III, in that event this chapter shall, by a commission rule to be issued with the governor's approval, be modified in the manner and to the extent and within the limits necessary to permit such use by the commission under this chapter; and such modifications shall become effective on the same date as such use becomes permissable under such federal amendments.

108.20 UNEMPLOYMENT ADMINISTRATION FUND AND APPROPRIATION. (1) To finance the administration of this chapter and to carry out its provisions and purposes there is established the "Unemployment Administration Fund". This fund shall consist of all contributions and moneys paid to or transferred by the industrial commission for the administration fund as provided in s. 108.19, and of all moneys received for this fund by the state or by the commission from any source, including all federal moneys allotted or apportioned to the state or the commission for the Wisconsin state employment service or for administration of this chapter, or for services, facilities or records supplied to any federal agency; and the commission is hereby directed to make to federal agencies such reports as are necessary in connection with or because of such federal aid.

(2) All amounts received by the commission for such fund shall be paid over to the state treasurer and credited to the unemployment administration fund, and, as provided in s. 20.440 (73) and (74), are appropriated to the commission for the administration of this chapter and the Wisconsin state employment service.

(3) There shall be included in the moneys governed by s. 20.440 (74) any amounts collected by the commission under s. 108.19 (1) or (2), or under s. 108.04 (13) (c) or 108.22 (1) as tardy filing fees or as interest on delinquent payments.

(4) Any moneys transferred to the unemployment administration fund from the administrative financing account pursuant to s. 108.161 shall be expended (or restored to that account) in accordance with that section.

(5) If and to the extent that moneys transferred under sub. (4) are unavailable to finance some or all of the capital costs involved in any employment security building project or in constructing office space for use by the commission in connection with its employment security operations, the moneys available under s. 20.440 (74) may be used for such financing.

108.21 RECORD AND AUDIT OF PAYROLLS. (1) Every employer of one or more persons in Wisconsin shall keep such a true and accurate employment record for each individual employed by him, including full name, address and social security number, as will permit determination of the weekly wages earned by each such individual from him, and shall furnish to the commission upon demand a sworn statement of the same. Such record and any other records which may show any wages paid by the employer shall be opened to inspection by any authorized commission representative at any reasonable time.

(2) The findings of any such authorized representative of the commission, based on examination of the records of any such employer and embodied in an audit report mailed to the employer, shall constitute a determination within the meaning of s. 108.10 and the provisions of said section shall apply accordingly.

(3) In the event that any such employer fails to keep adequate employment and payroll records under this section or fails to file such reports as the commission may require under this chapter, the employer's contribution liability with respect to the period for which such records are lacking or deficient or for which such reports have not been filed may be estimated by a commission deputy in a determination made pursuant to s. 108.10, and the provisions of said section shall apply to any such determination.

108.22 DELINQUENT PAYMENTS. (1) If any employer is delinquent in making by the assigned due-date any contribution report or payment to the commission required of him under this chapter, he shall be liable for a tardy filing fee of $1 for each such delinquency and shall become additionally liable for interest on such delinquent payment at the rate of one-half per cent per month (or fraction thereof) from the date such payment became due, except that said fee shall apply in lieu of such interest in any case where such interest (accrued up to the date on which such delinquent contribution and said fee are paid) is less than $1. Such tardy filing fees and interest shall be paid to the commission and credited to the unemployment administration fund.

(2) If any employer fails to pay to the commission any amount found to be due it in proceedings pursuant to s. 108.10, provided that no appeal or review permitted by said section is pending and that the time for taking an appeal or review has expired, the commission or any duly authorized representative may issue a warrant directed to the sheriff of any county of the state, commanding him to levy upon and sell sufficient of the real and personal property which may be found within his county of the employer who has defaulted in the payment of any amount thus found to be due to pay such amount, together with interest and costs and other fees, and to proceed upon the same in all respects and in the same manner as upon an execution against property issued out of a court of record, and to return such warrant to the commission and pay to it the money collected by virtue thereof within 60 days after the receipt of such warrant. The sheriff shall, within 5 days after the receipt of the warrant, file with the clerk of the circuit court of his county a copy thereof, unless the employer shall make satisfactory arrangements for the payment thereof with the commission, in which case the sheriff shall at the direction of the commission return such warrant to it. The clerk shall enter in the judgment docket the name of the employer mentioned in the warrant and the amount of the contributions, interest, costs and other fees for which the warrant is issued and the date when such copy is filed. Thereupon the warrant so docketed shall be considered in all respects as a final judgment creating a perfected lien upon the employer's right, title and interest in all of his real and personal property located in the county wherein the warrant is docketed.

(3) In the discretion of the commission, a warrant of like terms, force and effect may be issued and directed to any employe or agent of the commission duly authorized by it as a deputy, who may file a copy of such warrant with the clerk of circuit court of any county

in the state, and thereupon such clerk shall docket the same and it shall become a lien in the same manner, and with the same force and effect as hereinbefore provided with respect to a warrant issued and directed to and filed by a sheriff. In the execution thereof such employe or agent shall have all the powers conferred by law upon a sheriff, but shall not be entitled to collect from the employer any fee or charge for the execution of such warrant in excess of the actual expenses paid in the performance of his duty.

(4) If a warrant be returned not satisfied in full, the commission shall have the same remedies to enforce the amount due for contributions, interest, and costs and other fees as if the commission had recovered judgment against the employer for the same and an execution returned wholly or partially not satisfied.

(5) When the contributions set forth in a warrant together with interest and other fees to date of payment and all costs due the commission have been paid to it, the commission shall issue a satisfaction of the warrant and deliver or mail it to the employer, and the warrant shall be satisfied of record by the clerk upon presentation to him of such satisfaction and payment by the employer of the fees due such clerk.

(6) The commission, if it finds that the interests of the state will not thereby be jeopardized, and upon such conditions as it may exact, may issue a release of any warrant with respect to any real property upon which said warrant is a lien or cloud upon title, and such release shall be entered of record by the clerk upon presentation to him and payment of the fee for filing said release and the same shall be held conclusive that the lien or cloud upon the title of the property covered by the release is extinguished.

(7) As an alternative to any other remedy provided in this section the commission may in its own name collect any delinquent payments due it, together with interest and costs and other fees. A statement of the amount of such delinquent payments certified by the commission shall be prima facie evidence of the employer's liability for such amount. At any time before judgment in an action for the collection of such delinquent payments, the commission may commence and maintain a garnishee action as provided by ch. 267 for actions founded on contract, or may use the remedy of attachment as provided by ch. 266 for actions founded on contract. The place of trial of an action for the collection of such delinquent payments shall not be changed from the county in which such action is commenced, except upon consent of the parties.

(8) (a) In case benefits have been overpaid or improperly paid to an individual, an initial determination may be issued setting forth the individual's liability to reimburse the fund for such overpayment. In that event the individual may appeal therefrom, within 10 days after a copy thereof was

mailed to his last known address; and the procedures and limitations prescribed in s. 108.09 shall apply to any such appeal.

(b) To recover any overpayment for which liability has been thus established, the commission may file a warrant against the liable individual in the same manner as is provided in this section for collecting delinquent payments from employers.

108.23 PREFERENCE OF REQUIRED PAYMENTS. In the event of an employer's dissolution, reorganization, bankruptcy, receivership, assignment for benefit of creditors, judicially confirmed extension proposal or composition, or any analogous situation including the administration of estates in courts of probate, the payments required of the employer under this chapter shall have preference over all claims of general creditors and shall be paid next after the payment of preferred claims for wages. Provided, however, that if the employer is indebted to the federal government for taxes due under the federal unemployment tax act and a claim for such taxes has been duly filed, the amount of contributions which should be paid to allow the employer the maximum offset against such taxes shall have preference over preferred claims for wages and shall be on a par with debts due the United States, if by establishing such preference the offset against the federal tax can be secured under s. 3302 (a) (3) of the federal unemployment tax act.

108.24 PENALTIES. (1) Any person who knowingly makes a false statement or representation to obtain any benefit payment under this chapter, either for himself or for any other person, shall upon conviction be deemed guilty of a misdemeanor and be punished by a fine of not less than $25 nor more than $100, or by imprisonment in the county jail not longer than 30 days, or by both such fine and imprisonment; and each such false statement or representation shall constitute a separate and distinct offense. The commission may by civil action recover any benefits obtained by means of any statement or representation which is untrue.

(2) Any person who knowingly makes a false statement or representation in connection with any report or as to any information duly required by the commission hereunder, or who knowingly refuses or fails to keep any records or to furnish any reports or information duly required by the commission hereunder, shall upon conviction be deemed guilty of a misdemeanor and be punished by a fine of not less than $25 nor more than $100, or by imprisonment in the county jail not longer than 30 days, or by both such fine and imprisonment; and each such false statement or representation and every day of such refusal or failure shall constitute a separate and distinct offense.

(3) Any person who makes any deduction from the wages of any employe because of liability for contributions hereunder or because of the employe's potential right to benefits, or who knowingly refuses or fails to furnish to an employe any notice, report or information duly required hereunder by the commission to be furnished to such employe, or who, directly or indirectly by promise of reemployment or by threat not to employ or not to reemploy or by any other means, attempts to induce any employe to refrain from claiming or accepting benefits or to waive any other right hereunder, or whose rehiring policy has discriminated against former employes by reason of their having claimed benefits, shall upon conviction be deemed guilty of a misdemeanor and be punished by a fine of not less than $25 nor more than $100, or by imprisonment in the county jail not longer than 30 days, or by both such fine and imprisonment; and each such deduction from wages, and every day of such refusal or failure, and each such attempt to induce shall constitute a separate and distinct offense.

108.26 SAVING CLAUSE. The legislature reserves the right to amend or repeal all or any part of this chapter at any time; and there shall be no vested private right of any kind against such amendment or repeal. All the rights, privileges, or immunities conferred by this chapter or by acts done pursuant thereto shall exist subject to the power of the legislature to amend or repeal this chapter at any time.

OTHER STATUTORY PROVISIONS

(Supplementing Chapter 108, above)

relating to unemployment compensation

101.37 ACCEPTANCE OF FEDERAL ACT RELATING TO PUBLIC EMPLOYMENT OFFICES.

(1) The legislature hereby accepts the provisions of an act of congress, approved June 6, 1933, entitled "An act to provide for the establishment of a national employment system and for co-operation with the states in the promotion of such system, and for other purposes."

(2) The industrial commission of Wisconsin is hereby authorized and directed to co-operate with the United States employment service in the administration of said act and in carrying out all agreements made thereunder.

(3) All funds made available to this state under said act shall, upon receipt thereof, be paid into the unemployment administration fund under s. 20.440 (73) and (74), and are appropriated therefrom to the industrial commission to be expended as required by the act of congress making such funds available and the rules and regulations issued thereunder.

20.440 UNEMPLOYMENT ADMINISTRATION FUND.

(73) All federal moneys paid to the industrial commission or the state for the Wisconsin state employment service pursuant to s. 101.37 or for the administration of unemployment compensation under ch. 108, and any moneys paid to the industrial commission and deposited by it with the state treasurer pursuant to s. 108.20, and all moneys duly transferred to the unemployment administration fund pursuant to s. 20.440 are appropriated to the industrial commission for the performance of the functions of the commission under ch. 108, and for its conduct of public employment offices consistently with s. 101.37, and for its other efforts to regularize employment; to pay the compensation and expenses of appeal boards and of advisory committees; and to pay allowances stimulating education during unemployment. Any balance remaining in this fund at the close of any fiscal year shall not lapse but shall remain available for the purposes herein specified.

(74) All vouchers covering expenditures under ch. 108, if duly drawn and approved in accordance with the provisions of the Wisconsin statutes applicable to the disbursement of state funds, shall be paid from the administration fund by the state treasurer, without regard to the sources from which this fund is derived. The treasurer of the unemployment reserve fund, however, shall maintain a separate record of all moneys received for the administration fund as

interest on delinquent payments under ch. 108, and of all moneys (other than the contributions paid by certain "exempted" employers for January 1936) received for the administration fund as contributions for months ending prior to February 1936, namely the month in which federal grants were first authorized for the administration of ch. 108, and of all expenditures made from said moneys. He shall charge against said moneys such expenditures and transfers heretofore made by the industrial commission as the commission may by resolution decide were not properly and validly chargeable against federal grants (or other funds) received for the administration fund in or after February 1936. Said moneys shall not be expended or available for expenditure in any manner which would permit their substitution for (or a corresponding reduction in) federal funds which would in the absence of said moneys be available to finance expenditures for the administration of ch. 108. But nothing in this section shall prevent said moneys from being used as a revolving fund, to cover expenditures (necessary and proper under ch. 108) for which federal funds have been duly requested but not yet received, subject to the charging of such expenditures against such funds when received. The industrial commission may also, by resolution duly entered in its minutes, authorize to be charged against said moneys any expenditures which it deems proper and desirable under ch. 108, provided the commission in such resolution finds that no other funds are available or can properly be used to finance such expenditures. So much of the moneys specified in this subsection as the industrial commission may from time to time direct shall be invested in United States bonds, and the interest received thereon and the proceeds therefrom shall be included in said moneys.

(75) Any amount appropriated for employment security administration pursuant to s. 108.161 shall be available for expenditure accordingly, and shall not lapse; but any unexpended remainder thereof shall be restored pursuant to that section.

(76) Relates to appropriations pursuant to s. 108.161, for employment security buildings.

OTHER STATUTORY PROVISIONS (Cont.)

Deduction of Contributions (Wisconsin Income Tax)

71.04 (6) Amounts contributed for the given period to the unemployment reserve fund established in s. 108.16 of the statutes, but not the amounts paid out of said fund.

71.05 (7) Amounts contributed for the given period to the unemployment reserve fund established in s. 108.16 of the statutes, but not the amounts paid out of said fund.

So each worker who receives any U. C. benefits must include them, as a part of his income, for Wisconsin income tax purposes.

Savings and Loan Associations

S. 215.45 (2) of the statutes excludes from Ch. 108 of the statutes certain officers and directors of savings and loan associations, but permits coverage by election.

Hospital Service Corporations

S. 182.032 (8) of the statutes excludes from Ch. 108 the employes of non-profit hospital service corporations.

Lien on Public Improvement Contracts

Ss. 289.16 and 289.53 (1) of the statutes now provide a lien, for the unemployment compensation contributions required by Ch. 108, as to contractors on public improvement projects.

HISTORICAL NOTE

Chapter 20, Laws of Special Session 1931-1932, became law on January 29, 1932. But only Sections 1, 3 and 4 of that chapter, relating to voluntary plans, took immediate effect. (Sections 2 and 5 of that chapter, which included Chapter 108 of the permanent statutes, took legal effect on June 27, 1934.)

Session Laws—amending Chapter 108

Chapter	186,	Laws	of	1933,	was	published	June 2, 1933.
"	383,	"	"	"	"	"	July 12, 1933.
Chapter	192,	Laws	of	1935,	was	published	June 26, 1935.
"	272,	"	"	"	"	"	July 22, 1935.
"	446,	"	"	"	"	"	Sept. 11, 1935.
Chapter	95,	Laws	of	1937,	was	published	April 29, 1937.
"	162,	"	"	"	"	"	May 22, 1937.
"	343,	"	"	"	"	"	July 3, 1937.
Chapter	186,	Laws	of	1939,	was	published	June 26, 1939.
"	245,	"	"	"	"	"	July 17, 1939.
"	372,	"	"	"	"	"	August 24, 1939.
Chapter	134,	Laws	of	1941,	was	published	May 29, 1941.
"	142,	"	"	"	"	"	June 2, 1941.
"	288,	"	"	"	"	"	June 27, 1941.
Chapter	181,	Laws	of	1943,	was	published	May 22, 1943.
Chapter	354,	Laws	of	1945,	was	published	June 25, 1945.
"	376,	"	"	"	"	"	July 3, 1945.
Chapter	527,	Laws	of	1947,	was	published	August 19, 1947.
Chapter	142,	Laws	of	1949,	was	published	May 21, 1949.
"	450,	"	"	"	"	"	July 13, 1949.
Chapter	532,	Laws	of	1951,	was	published	July 7, 1951.
"	545,	"	"	"	"	"	July 26, 1951.
Chapter	7,	Laws	of	1953,	was	published	March 20, 1953.
"	206,	"	"	"	"	"	June 4, 1953.
"	433,	"	"	"	"	"	July 14, 1953.
"	483,	"	"	"	"	"	July 21, 1953.
Chapter	301,	Laws	of	1955,	was	published	July 2, 1955.
"	464,	"	"	"	"	"	July 28, 1955.
"	527,	"	"	"	"	"	August 9, 1955.
Chapter	235,	Laws	of	1957,	was	published	June 25, 1957.
"	418,	"	"	"	"	"	July 27, 1957.
"	419,	"	"	"	"	"	July 27, 1957.
Chapter	1,	Laws	of	Special Session of 1958,			was published June 18, 1958.
Chapter	12,	Laws	of	1959,	was	published	April 8, 1959.
"	61,	"	"	"	"	"	June 5, 1959.
"	177,	"	"	"	"	"	July 11, 1959.
"	572,	"	"	"	"	"	Oct. 30, 1959.

SUMMARY LISTING (section-by-section) of

1958 & 1959 CHANGES in Wisconsin's U. C. Law

108.02 (5) (f) 12	Created, to exclude legislative employes.
(g) 8	Repealed, to cover "logging" work after 1959.
(7) (d)	Created, as to a possible rule-change to use the same base period for figuring an employe's benefit rate as is used for determining his work-weeks and benefit duration.
108.04 (1) (c)	Amended, to deny benefits in pregnancy cases for 10 weeks (instead of 8 weeks) before the expected week of childbirth.
(4) (a)	**QUALIFYING WORK.** Changed to require 18, instead of 14, weeks of covered employment (from all employers combined) to qualify for any benefits at all.
(c)	Amended, as to qualifying for benefits based on canning work. A seasonal cannery worker will qualify for benefits, based on 18 weeks of canning season work. If he's had less than 18 work-weeks with the canning factory, the other (previous) wages he needs to qualify must have been earned from *covered* Wisconsin employers.
(8) (af)	Created, to disqualify a claimant for benefits if he's duly recalled to work, and fails to return without good cause.

? what was previous provision

108.05 (1) **BENEFIT SCHEDULE.** Changed, by adding new top weekly benefit rates.

A top rate of $41 applies under new benefit determinations issued after July 19, 1959 and before January 1, 1960.

(2) **Semi-Annual Adjustment of TOP BENEFIT RATE.**

Starting in 1960, the law's top weekly benefit rate will be set, each January 1 and July 1, at 52½ per cent of the gross state-wide average weekly wage—of Wisconsin's covered employes—for the 12 month period ended 6 months earlier.

As noted by Wisconsin's Joint U. C. Advisory Committee:—

> "Those changes will keep the law's benefit ceiling up to date. The required computation is clearly outlined, and non-discretionary . . . (It uses) comprehensive wage and employment data regularly gathered and available under Wisconsin's U. C. law . . . But each individual worker's benefit rate will continue to be about 50% of his OWN average weekly gross wage."

108.06 (1) (b) **Amended, to base the law's TOP benefit duration on 45 "credit weeks", instead of on 38.**

(2) **BENEFIT WEEKS, based on WORK-WEEKS.** Changed, as to determinations issued after June 7, 1959, to increase benefit duration where the employe has more than 20 "credit weeks".

Credit weeks (over 20) will be worth eight-tenths (instead of seven-tenths) of the employe's weekly benefit rate. The new maximum duration is 34 benefit weeks, based on 45 credit weeks.

Note the table printed after 108.06 (2).

108.09 (6) (b)		Amended, to simplify the handling of commission appeals.
108.14 (16)		Created, to continue free distribution of U. C. instructional pamphlets, etc.
108.15 (3m)		Repealed, to close out various old accounts of noncovered governmental units.
108.16 (13) (j)		Repealed, as obsolete.
108.161 (4) (c)	Amended	To meet revised federal requirements as to the use of certain special moneys.
(8m)	Created	
(9)	Amended	
108.18 (8) (a)		Amended, to specify a needed cross reference.
(8) (j) (k) (l)		Created, as to employer contribution rates. A year of heavy U. C. benefit payments may trigger a reduction of experience rates for the next year. (Such a reduction applied to 1959 experience rates).
108.20 (5)		Created, to clarify the relations between certain state and federal administrative moneys.

NOTE—This TEXT reflects the current numbering of the relevant state and federal statutes, plus various changes effected by "revision" and other bills, through August 1959.

Wisconsin's standard abbreviations are used in referring to a statutory *ch*apter, *s*ection, *sub*section or *par*agraph.

How much should they
are covered -

Benefits

June 60 98.90
$49.30

Money - p. 24

schedule p 25

Semi - annual adjustment p. 26
max is 52.5% of avg. weekly wage

Credit weeks p. 28

Qualifying Conditions (18 wks) p 17

Suitable work - p. 20

1) Background — Attacks - Readers digest

2) Fed Standards - Current Argument
when did Wis go to 4

3) Shortcomings # of employees
amount of benefit
dependents

4) Benefits Duration
Effort

IMPROVED UNEMPLOYMENT INSURANCE

Why Do We Need Federal Action?

State laws have been eroded by inflation and riddled with restrictions. Competition between states for industry makes them reluctant to raise benefits. More attention is concentrated on keeping the employer's tax contribution low than on benefit adequacy.

Weekly benefits today insure a much smaller portion of lost wages than they did in 1939.

As a percentage of payroll, unemployment compensation taxes are one-third what they were twenty years ago.

The longer duration of unemployment due to technological change and more severe recessions finds the duration of benefits completely inadequate.

These weaknesses help explain why one-fifth of the families affected by unemployment in 1958 lost over $2,000 income each.

They also explain why federal benefit standards are needed, both for the worker, and for his grocer, landlord, and the entire community that depends on his spending.

The Federal Unemployment Compensation Standards Bill:

To meet these problems, this bill was introduced early last year by Congressmen Karsten, Machrowicz and 130 others in the House, (H.R. 3547) and by Senators Kennedy, Case, McCarthy and 30 others in the Senate, (S. 791). This is what it does:

1. *Higher Benefits*—A weekly benefit of at least half the individual's wages, subject to a statewide maximum benefit of ⅔ of the state's average weekly wage.

2. *39 Weeks Duration* for those unemployed who are eligible and qualified, who are able and available for work but cannot obtain suitable employment.

3. *Limited Eligibility Restrictions.* Some states have severe restrictions on who is qualified. This bill would place limits on those restrictions. Furthermore, state benefits could not be denied or reduced for those receiving negotiated supplementary unemployment benefits.

4. *More Coverage.* All employees in small companies would be covered. This would add an additional 2 million workers now excluded.

5. *Better Financing.* A state would be able to choose either experience rating (now the only choice allowed) or uniform tax rate reductions for all employers. This would open the door to better ways of financing Unemployment Compensation.

6. *Reinsurance Grants* to those states which are in financial difficulty because of high rates of unemployment. This would relieve fear of insolvency which has kept benefits down.

How Much Would It Cost?

The total long run cost of these benefits would still be only one-half of the original and *intended* cost of Unemployment Compensation. The average employer tax would rise only 7/10ths of one cent per employee-hour worked.

This would require no appropriations by Congress. It would be financed, as at present, within the federal-state unemployment compensation payroll tax.

Is This An Encroachment of Federal Power Over the States?

No. The basic unemployment compensation law is a federal one. The tax is a federal tax. There are already 36 standards in the federal law with which a state law must comply in order to get the funds from the federal government.

This bill would add three benefit and eligibility standards, and amend an existing financial standard. There would be no change in the basic federal-state relationship. The states would continue to administer their own programs.

What Are Its Prospects?

Unemployment compensation is a revenue measure and must be enacted first in the House of Representatives.

It has been bottled up in the House Ways and Means Committee all during 1959. The closest vote in the Committee was 13 to 12 on April 22. This vote was on a proposal by Congressman Wilbur Mills, the Committee Chairman, to require that state maximum benefit amounts be set at 60% of average weekly wages in each state.

Action Needed:

1. Urge your Representative to call upon the Ways and Means Committee for immediate action on a Federal Standards bill, and to support such a measure when it reaches the floor.

2. Urge your Senators to support such a bill when it comes to the Senate. Ask them to urge swift Finance Committee consideration.

WILL CONGRESS IMPROVE UNEMPLOYMENT INSURANCE?

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6. *Reinsurance Grants* to those states which are in financial difficulty because of high rates of unemployment. This would relieve fear of insolvency which has kept benefits down.

How Much Would it Cost?

Employers pay unemployment compensation taxes, and in three states employees contribute also. Originally the tax was 3% of payroll, but there has been a decline in rates and in most states no change in the tax base. Today the average employer pays only 1% of payroll.

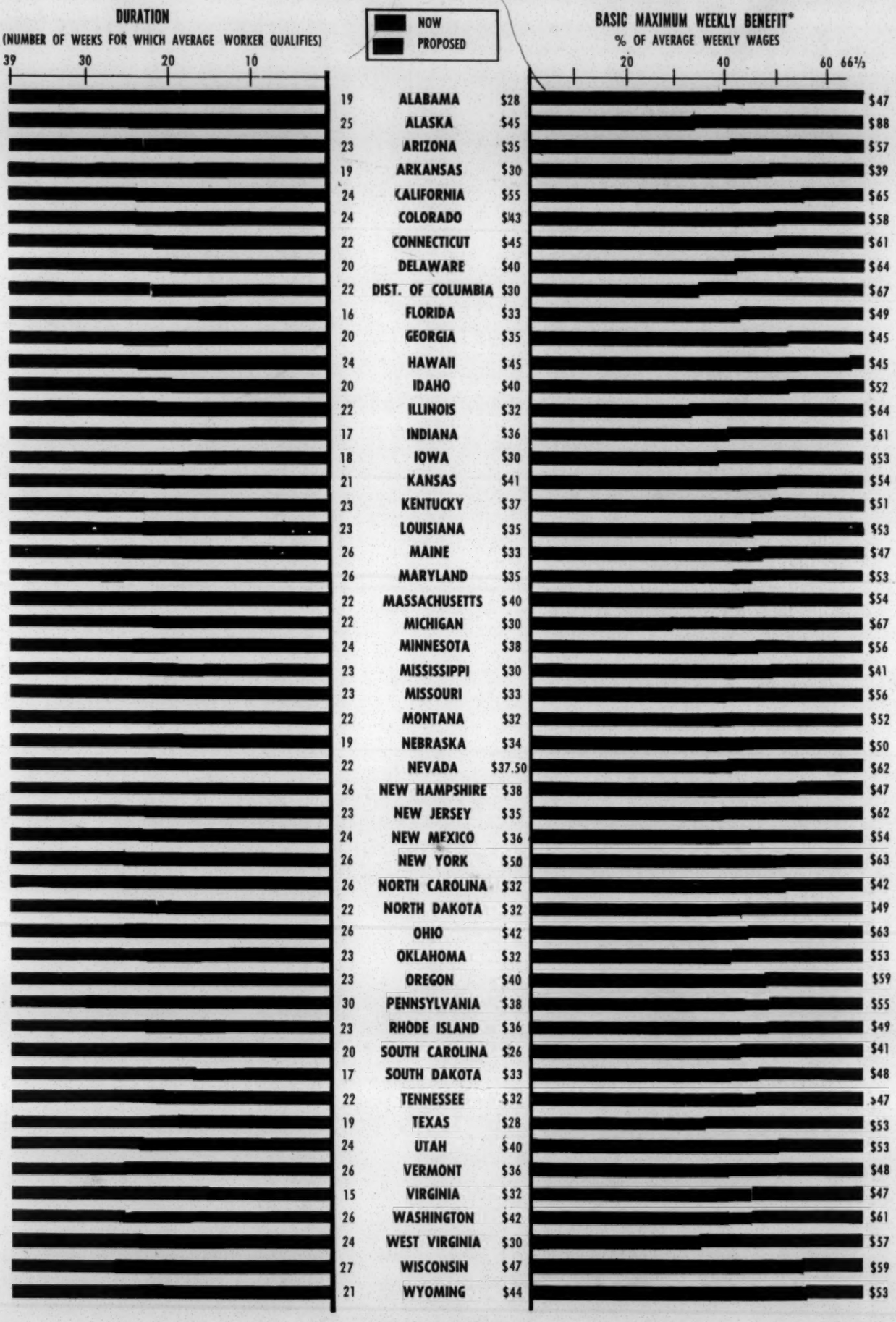
It is estimated that the benefits in this bill would cost about 1.6% of payroll, which is still only half the original rate. This is an increase of only three-fourths of a cent per employee-hour.

What Are Its Prospects?

Unemployment compensation is a revenue measure and must be enacted first in the House of Representatives. It has been bottled up in the House Ways and Means Committee since the Spring of 1959. Urge your Representative and Senators not to forget benefit standards for unemployment insurance. The last recession was lesson enough; action should be taken now before another slump is upon us.

AFL-CIO Social Security Department, June 1960

HOW CONGRESS CAN HELP THE UNEMPLOYED BY PASSING THE FEDERAL U. C. STANDARDS BILL



*Does not include dependent allowances. Nothing in the proposed Federal Standards Bill would prevent a state from continuing dependent allowances in addition to the basic maximum

Wis St Jl 9/22/60

JOBLESS CLAIMS DROP

Unemployment compensation claims in Wisconsin have declined for the third week in a row. The Industrial Commission said claims totaled 30,523 for the week ended Sept. 17, compared with 37,380 claims for the week ended Aug. 27. On Sept. 19, 1959, the state had only 15,768 jobless claims.

INDUSTRIAL & LABOR RELATIONS REVIEW

October 1960

"Our Developing Social Security System: The First Twenty-five Years

Edwin E. Witte (1887-1960): Father of Social Security	Wilbur J. Cohen
Old-Age, Survivors, and Disability Insurance: Twenty-five Years of Progress	Alvin M. David
Social and Economic Implications of Private Pensions	Robert Tilove
The Challenge of Unemployment Insurance	Harry Malisoff
Financing of Unemployment Compensation	Richard A. Lester
Controlling Unemployment at the Company Level	Edward D. Wickersham
Public Assistance under the Social Security Act	Jules H. Berman
Social Security and Voluntary Social Welfare	Elizabeth Wickenden
The Role of Social Insurance in the United States	J. Douglas Brown
Social Security at the Crossroads	Allen D. Marshall

[12/14/60]

For State Affiliates:

NEW PROBLEMS IN UNEMPLOYMENT INSURANCE, 1961*

In the states and in Washington certain questions about unemployment insurance are going to be fairly persistent this coming year. In the following remarks, I shall touch on a few of the major ones.

1. Should wage qualifying requirements be changed?

To this old problem we have only what may be in some states a new approach for solving it. To any proposed change in wage qualifying requirements, we recommend that you ask for the answers to these questions:

> How many of the unemployed are now ineligible under the present provision? How many more will be ineligible under the proposed change? What are these same figures broken down by major industries? What are the justifications for the proposed change? Are there any workers whose exclusion is not desired but who will be excluded under the proposal? How many?

The office equipment in employment security agencies is geared to easy sampling of the records in order to answer these questions. Any wage qualifying requirement is an arbitrary test of attachment to the labor force, and hence abstract discussion about who are really workers can be misleading unless the answers to these questions are in hand.

On this same note of caution, remember that the wage qualifying requirement, weekly benefit schedule, and duration provisions are interdependent and any proposed change must always be traced through for its full applications.

2. Should the duration of benefits be extended in 1961?

Some of you are trying to decide whether to make this a high priority item in your legislative program; we in the national office can only suggest some of the considerations.

While 8 states in the last three years (other than Pennsylvania) have broken through the 26 weeks "sound barrier," there are 23 states where we have not been able to improve the duration provisions even in the political climate created by recession conditions.

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* Excerpts from remarks of Raymond Munts, AFL-CIO Social Security Department, December 14, 1960, at National Conference of Officers of State Central Bodies, AFL-CIO, Washington, D. C.

In only 11 states can 85% or more of the eligible unemployed qualify for at least 26 weeks if they need it.[1/] At the other extreme, there are about 20 states where substantial numbers of the unemployed cannot qualify for more than 15 weeks.[2/]

If you are weighing whether to make a major push on duration, it is advisable to consider the average potential duration for which new eligible unemployed are qualifying.[3/] This is a good measure of your law, and should be considered along with the exhaustion rate.

Even in those states that amended their duration provisions recently, it is advisable to check the actual extent to which a higher maximum really moved the average potential duration. For example, Oklahoma moved its maximum from 26 weeks to 39 weeks (this is regular duration and not triggered) but the average potential duration increased from 21 weeks to only 26 weeks. Whenever you find a big discrepancy between the maximum allowed and the average potential duration, your law sounds a lot better than it actually is. In these cases the duration formula should be re-examined. Our goal is to get average potential durations to 39 weeks, preferably on a uniform basis.

In the appendix to these notes, there is a table with average potential duration for each state. You can use this to find the actual performance of your duration provision, including the performance of recent amendments. Only 13 states have an average potential duration of 26 weeks or more, and Pennsylvania still leads with 30.

States with a high number of weeks that few can qualify for are offering a cheap program in deceptively handsome packages. The only justification for supporting such a plan can be a tactical one; and the only test of such a judgment is whether you can

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1/ Hawaii, New Mexico, Ohio, Alaska, Maine, Maryland, New Hampshire, New York, North Carolina, Pennsylvania, Vermont.

2/ States where more than 10% of the eligible claimants are entitled to less than 15 weeks are:

Ariz. - 14%	Fla. - 34%	Kansas - 11%	Nevada - 15%
Ark.. - 12%	Idaho - 26%	La. - 11%	S.D. - 26%
Conn. - 15%	Ill. - 13%	Mass. - 14%	Texas - 22%
Del. - 23%	Ind. - 30%	Mich. - 14%	Utah - 17%
D.C. - 19%	Iowa. - 18%	Neb. - 20%	Va. - 30%
			Wyo. - 13%

3/ A similar measure is the average duration of those exhausting benefits; this would be the same as average potential duration only if exhaustees had the same base year earnings and work distribution as initial claimants.

subsequently liberalize the operation of the duration formula to allow more people to become eligible for the longer periods. I think there may be some hope in this approach -- first breaking through the 26 weeks sound barrier and then later filling in the substance.

3. What about temporarily extended duration?

Temporarily extended benefits is the new look in unemployment insurance; it has a certain political glitter, but all that glitters is not gold.

In the last two years, this country has experimented with two kinds of temporarily extended duration. Twenty-two states extended duration when the governor or the legislature decided the situation got bad enough and authorized longer duration for a limited length of time. Then there is the method for making temporary extensions conditional on predetermined unemployment levels, to be triggered into existence and out again automatically. Triggered extensions are now provided in 6 states.

Both the temporary extensions through legislative action and the temporary extensions by automatic triggers will be up for consideration in a number of states and possibly in Congress. The Ohio legislature has already just met in special session on this subject, but adjourned without making any decision.

How should we evaluate temporary extensions? The Ohio experience might suggest that an automatic trigger would be better than hoping the legislature will always act in emergencies. On the other hand, the 6 states with triggers have had some pretty rough unemployment but only California triggered in and out, although Illinois will probably trigger soon in the new year. If the trigger point is set conservatively high it becomes a way for the legislature to duck future concern with unemployment.

Where the trigger point should be set is not, however, the heart of the issue that is involved. To see the real nature of the problem, we have to look at the characteristics of the long-term unemployed, those with over 6 months unemployment a year.

Here we come face to face with a startling fact: most of the long-term unemployment is not caused by recession circumstances. Long-term unemployment has become a prominent and persistent feature of our creeping, slow growth economy. In a number of states, studies of exhaustees have given some clues to the reasons for long-term unemployment. These studies by the Bureau of Employment Security and other studies show us who the long-term unemployed are: people whom personnel offices have branded

as too old to work (and that can be anybody over 40); people whose skin, we are told, isn't the right shade to ever deserve more than casual employment; people whose training or skills are obsolete or whose customary work has been automated out of existence; people who live in areas that seem to have no economic future. These people are predominant in the long-term unemployed even when there is no general recession. Even when business is humming we can expect from past experience that at any given time there will be about 400,000 long-term unemployed; in recession periods this will go up to 600,000. Long-term unemployment due to recession -- the problem met by triggered extensions in duration -- is at best only a third of the problem of long-term unemployment.

It is for these reasons that an increase of five or six weeks in the average potential duration of the regular benefits meets more of the problem of long-term unemployment than any number of weeks triggered by recession conditions.

The more sophisticated employers like the triggered programs because they are a kind of low-cost solution that sets terminal limits; and they sound good --"up to 39 weeks of benefits when you really need it."

Triggered extensions are a political reaction to the demands to do something yet without improving the basic program. There is some danger that they become a low-cost pacifier for unemployed constituents. In asking for longer potential duration in the basic program we have a golden opportunity to argue our basic concerns with age and color discrimination in hiring, with technological unemployment, with that new kind of worker -- the "obsolescent" -- for whom progress and automation is a cruel hoax.

We are concerned about long-term recessional unemployment, but we also want to draw attention to the two-thirds of the long-term unemployment problem that, like the iceberg, lies dangerously below the surface of public awareness.

Earlier I argued that the high maximum number of weeks combined with a thin variable duration formula while not good on its merits could be accepted on a tactical basis. Can triggered programs be justified in tactical terms? Or, once the trigger is accepted as a principle may it not have strong staying power and substantially impede our efforts to improve the basic duration provisions?

4. <u>What is new in weekly benefit amounts</u>?

There is nothing new in the fact that maximums continue to lag. Average weekly wages last year rose by $2 to $6 in each state for a national average of about $4.

Even if you adjusted your maximum in the last year or two its worth has slipped somewhat since then.

What is new is the handsome way the flexible maximums -- maximums stated as a percentage of average weekly wages -- are working in Kansas, Utah, Vermont, Wisconsin, and Wyoming. Each has had at least one automatic increase, and Wisconsin has had two.

The merits of this approach are without question; the only danger is in accepting too low a percentage because a flexible maximum once set may be hard to move.

5. What are employers up to?

There are three areas in which employers appear especially active.

First, there is a drive on for multiple maximum benefit systems such as those in Michigan, Illinois, and Iowa. Employers call these "variable maximums" in part to confuse them with "flexible maximums." The so-called "variable maximums" are being pushed in Minnesota, Texas, Wisconsin and undoubtedly elsewhere. They are a dangerous form of dependency allowance, for reasons I shall develop below.

Second, the success of employers in New York this year in going the limit on disqualification penalties will encourage similar efforts in other states. Maryland, for example, is in a defensive battle following the usual plan of newspaper scare stories, alleged chislers, then a special legislative investigation, etc.

Last, employers in many states are screaming the blues about low reserves, high tax rates, mounting liabilities, etc., in part designed to scare us into dormancy. The low rate employers are also trying to shift a larger portion of the load on high rate employers through a wider range of rates, as in Michigan. Later I will discuss the financial picture in some detail.

Each of these subjects deserves some special comment.

6. What is wrong with "variable maximum" formulas?

Pushing "variable maximums" is the special hobby of General Motors and the John Deere Company and they have enlisted a number of business groups. Not all employers like it -- for example, General Electric and Standard Oil of New Jersey don't like any kind of dependents benefits.

Our objection in the AFL-CIO is not that "variable maximums" include dependents in the benefit formula but that it is a special kind that both obscures the wage insurance principle and also creates an illusion of a liberality, a false image of generosity.

For example, in Michigan the highest maximum is $55 and in Illinois $50. But these are only the maximums for those with several dependents and fewer than 2% of claimants can get this amount. Each different family size has a different maximum, down to $30 and $32 maximums for single persons.

The usual dependents formula allows a few dollars per dependent to be paid on top of the basic wage insurance -- on top of the fifty percent or more replacement of one's lost weekly wage. This is not the way "variable maximums" work. They give large families half of their lost wages, and then proceed to cut down the proportion of replacement for those who don't have dependents. The wage insurance principle is stood on its head and its meaning and intent whittled away until the single person receives only a small fraction of his wage loss.

With good sounding "maximum maximums" of $55 and $50, average benefits in Michigan and Illinois are only $36 and $34 respectively, quite low for high wage states. The Iowa "variable maximum" is a cheaper version of the Illinois plan. Again this is a case of good wrappings on a cheap program.

Our future success in improving unemployment insurance depends on our ability to fasten attention on the wage insurance principle and the need to extend it to workers over a wide range of different earnings; at least three out of four covered workers should get a benefit of half their wage loss.

When the wage insurance formula disappears as it has in Illinois, Michigan, and Iowa, the basis for reform has evaporated. Employers are well aware of this. Beware imports from the Mid-West entitled "variable maximums."

7. <u>What is the "agency doctrine" in disqualifications</u>?

I have referred to an employer drive on disqualifications that has hit in New York, Washington, Maryland and elsewhere. There is not much new about this or about our position on the issues.

A series of court decisions beginning in 1958 raises a threat from a new quarter. We as trade unionists emphasize the role of the union as a representative organization for workers. Several state courts have used the same reasoning to justify disqualifying workers who have been terminated because of clauses in the labor contract -- such as compulsory retirement, seniority bumping, pregnancy lay-offs, etc. The court's argument is that these are voluntary quits, because the union as the agent of the worker voluntarily agreed to the provisions.

This agency theory applied in unemployment insurance has been rejected by the Supreme Court in Pennsylvania for the very good reason that a labor agreement is a compromise, not a voluntary act of the union, and further that the individual worker when forced to retire is obviously not having any choice about it -- the Pennsylvania Court emphasizes the "matrix of facts" surrounding the termination rather than the agency doctrine.

I mention the agency doctrine because if your state is afflicted with it, you obviously need legislative action. California and Massachusetts have enacted provisions preventing its application in cases of compulsory retirement. The agency doctrine can be pervasive, however, and may apply to all forms of termination under the agreement; a broadly applicable provision may be needed to keep it out of the law altogether.

8. Is there a financial problem and how serious is it?

When we entered this recession reserves were substantially less in several states than they were at the beginning of the 1958 recession. There were a dozen states which would have foundered in a 1960-61 recession. Most of them have enacted some increase in their tax contribution yield. We do not know how deep the recession will go or how long it will be with us, but even for some of the states that have amended their finances since 1958 continued solvency is somewhat problematical. In this group I would put Illinois, California, Maryland, Pennsylvania, and Alaska. Some states with a serious financial picture have not yet done anything about it. These are Michigan, Delaware, West Virginia, and Ohio.

The situation is difficult because the federal loan fund is nearly broke, has only $5.6 million. Congress has raised the maximum size of the fund to $550 million and the federal portion of the unemployment insurance rate from .3% to .4% to build up that fund. But this tax rate does not go into effect until January 1, 1961 and the revenue is not produced until the end of next year; then the fund will not actually be credited until July 1, 1962. The only sources of income for the fund until July 1, 1962 is interest -- about $6 million a year, and repayments from loans. Given the financial condition of states that have borrowed, return of the loans in time to rebuild the loan fund for 1961 is not anticipated.

In passing I should note that P.L. 778, the Social Security Act of 1960, will not allow a state to borrow until it cannot pay its next month's claims, and then it can borrow enough only to meet the deficit for that month. In short, the funds

will hereafter be tightly rationed. Further, the repayment rate will be faster.

At the beginning of this year, the Secretary of Labor asked the Federal Advisory Council on Employment Security to look into the solvency question. The employers would not agree with the labor and public members that a federal solvency standard should be required of the states. The employer-representatives and Stanley Rector of Unemployment Benefit Advisors, Inc., took the position that no problem existed. Apparently the White House also took that position because no solvency standard was ever proposed by the Administration.

I do not know what will happen if a state goes broke and no federal funds are available. I suspect that when the fact comes home to the public that even the existing limited benefits have been underfinanced for years, the state-by-state method of financing unemployment insurance is going to get the first big shock of its lifetime. The federal government will have to decide whether giving funds from a federal tax to the states to administer unemployment insurance has been justified by the system's performance. Meanwhile, to avoid this unpleasant question, there will be patch-up proposals, such as that Congress should appropriate money into the federal loan fund, but I hope we can get some serious consideration for our plan of re-insurance, the only thing that would make sense in a state-administered system. There are signs that some state administrators agree with this, but their organization, the Interstate Conference of Employment Security Agencies, has been studying financing and solvency for a year and still has no proposal.

9. <u>What should be done about the financial problem?</u>

All states have been underfinancing their program since 1945. This is alright so long as there are reserves to make up the difference every year between income and outgo. Experience rating has been allowed to work primarily in a downward direction at the encouragement and to the satisfaction of employers. Some state agencies have allowed this as part of an industrial development program. The problem is that when the end is reached, nobody seems willing or able to institute principles of sound financing.

The soundest principle of all would be to abolish experience rating, particularly when it is based on benefit payments, or at least allow uniform statewide rate reductions. There is no doubt that this is the root of the problem and the major reason unemployment insurance still costs only a third of what it did originally.

I would like to suggest some general principles that would greatly improve financing even where you cannot abolish experience rating. Admittedly these are the second ditch defense, but may help in forming a judgment of proposals you will encounter. I should emphasize that although these have been reviewed by the AFL-CIO Social Security Committee they have not found their way into our formal policy and they may not in this form. But in the hope that they are better than no guidance at all, we offer them in the hopes they will be suggestive rather than controlling:

a. Taxable wage base should be raised, preferably to total wages; or to the annual equivalent of average weekly wages in covered employment; or to the same level as the wage base for OASI. (Taxable wage base was total wages in state laws until 1939 when it was decreased to $3,000 to bring it in line with OASI tax base; the latter has since been increased to $4,800.)

b. The basic tax schedules should be set to yield an amount equal to the average over-the-business-cycle cost of benefit expenditures; including any recommended increases in benefit levels. In most states, this should include establishing higher minimum rates.

c. Additions to the basic tax rates should be established for the purpose of paying benefits not charged to individual employer accounts; these added taxes should be credited to a balancing account and not to the individual employer reserve.

d. When reserves fall to less than 1½ times benefit payments in the highest cost 12-month period in the last ten years, no contribution rate should be less than 2.7%.[4]

4/ A trigger at 1½ times should use the total wage base, regardless of how the tax base is defined. Experience rating should cut off when dollar reserves relative to total wages are less than 1½ times the high cost year expenditures relative to total wages. "Total wages" is necessary to wash out increased liabilities in dollar terms due to growing number of covered workers and higher wage levels.

e. Other trigger points for lower tax schedules should also be stated as ratios to total wages or as multiples of the "1½ times" peril point in (d). They should be designed to maintain a reserve fund between 1½ and 3 times the high cost year expenditures relative to total wages.

f. Emergency surtaxes should be established where necessary for the purpose of building up the reserves for anticipated costs in 1961 and 1962.

Some of these approaches may be alternatives for the emergency. However, all but the last are sound for long-range solvency.

If you are uncertain what we should do about finances, there is no uncertainty what we should do about benefits. I have examined employer claims in state after state where they argue that payments are higher than they have ever been, that taxes are exhorbitant, etc. Even allowing for my biases, I always come away very unconvinced. In this connection the Social Security Department can provide you or your staff with the principles of "total wage" analysis with which to cut through some of the employer figures and charts thrown your way. The essence of it is that you can't compare benefit payments or tax contributions for different years unless you first convert the dollar amounts to a percentage of total wages. The reason for this is that you have to wash out the effects of larger numbers of workers and employers in the program, and also wash out the rise in wage levels, in order to have a basis for comparison. This method is recommended by the U.S. Department of Labor, if that is any evidence of respectability, and I wholly concur in it.

When all the homework is done, you will usually find that a state's financing problems did not begin with benefit payments in the recession of 1958-59; that underfinancing has been going on a long time; that there has been a fairly continuous decline in tax contribution rates for a long time; and that cost rates -- the benefits paid out each year relative to payrolls -- are only very slightly if at all above those of pre-war times. We are in a position to provide data and analysis of this sort for any state wishing it.

APPENDIX ON EXPERIENCE WITH DURATION

	Statutory Limits (weeks)	Average Potential Duration (April-June 1960) (weeks)	Average Duration for Exhaustees (April-June 1960) (weeks)	Percentage of Claimants Who Have Exhausted Benefits July '59 - July '60
Alabama	11-20	19	18	44%
Alaska	15-26	25	24	29
Arizona	10-26	22	19	19
Arkansas	10-26	22	19	28
California	15-26	24	22	21
Colorado	15-32	29	22	20
Connecticut	12-26	22	19	33
Delaware	11-26	21	18	29
Washington, D.C.	11-26	22	18	33
Florida	10-26	18	15	41
Georgia	9-26	20	19	35
Hawaii	26	26	26	5
Idaho	10-26	22	18	24
Illinois	10-26	21	18	27
Indiana	6-26	17	13	35
Iowa	10-26	20	16	28
Kansas	10-26	22	20	24
Kentucky	15-26	23	21	31
Louisiana	12-28	23	19	43
Maine	26	26	25	19
Maryland	26	26	26	27
Massachusetts	8-30	25	21	23
Michigan	9-26	22	17	22
Minnesota	18-26	23	22	25
Mississippi	12-26	22	20	28
Missouri	10-26	23	20	19
Montana	22	22	22	26
Nebraska	8-26	22	16	24
Nevada	10-26	21	19	24
New Hampshire	26	26	26	13
New Jersey	13-26	24	21	30
New Mexico	18-30	28	25	19
New York	26	26	26	17
North Carolina	26	26	25	19
North Dakota	24	24	24	19
Ohio	18-26	26	26	16
Oklahoma	10-39	26	22	32
Oregon	10-26	24	21	17
Pennsylvania	30	30	30	25
Rhode Island	12-26	23	19	24
South Carolina	10-22	20	19	34
South Dakota	7-24	19	14	31
Tennessee	22	22	20	35
Texas	9-24	19	16	38
Utah	10-36	25	18	23
Vermont	26	26	26	19
Virginia	8-20	15	14	44
Washington	15-30	27	25	20
West Virginia	24	24	24	30
Wisconsin	12-34			35
Wyoming	12-26	21	18	23

Wisconsin Administrative Code

Rules of the

INDUSTRIAL COMMISSION

UNEMPLOYMENT COMPENSATION

Cite the rules in this code as

(for example)

Wis. Adm. Code section Ind-UC 100.01

INDUSTRIAL COMMISSION

Unemployment Compensation Department

Madison 1, Wisconsin

INDUSTRIAL COMMISSION OF WISCONSIN

Unemployment Compensation Department

Madison 1, Wisconsin

PLEASE SAVE & USE THESE **UC-201 INSTRUCTIONS** as to

BENEFIT NOTICES AND REPORTS

required of employers under

Wisconsin's U. C. Law

(as amended through 1957)

To assure proper and effective administration of benefits under Wisconsin's Unemployment Compensation Law:

I. Give Required NOTICES to Employes.

A. Put up (and keep up) "Notice-Posters"—Form UC–7.

B. Give a U. C. lay-off notice—Form UC–15—to each employe whose employment is being terminated or suspended for any reason for 1 calendar week or more.

II. Send Required REPORTS to the Commission.

A. Benefit Liability Report—UC–203. File it on request.

B. Benefit Eligibility Report—UC–23. File it on request.

III. Use the Standard "ELIGIBILITY PHRASES" on your UC–203 and UC–23 reports.

IV. Help Apply the Law's "WORK-TEST".

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For benefit (and reporting) purposes,—"week" means CALENDAR WEEK (ending Saturday at midnight). Compare 108.02 (12)

We NUMBER each Calendar Week, as shown on each UC–203 and UC–23, and on page 35.

Part I. REQUIRED BENEFIT NOTICES to Employes as to their Rights under the Law

A. Notice "Posters" (Form UC–7)

Every employer who is covered by the law must put up (and keep posted at all times) notice "posters" supplied by the commission.

These posters (Form UC–7) should be placed in each work-place you maintain,—on bulletin boards, near time-clocks, etc.,—so that each employe will see a poster.

Keep them posted. Replace them if they become torn, defaced or dirty. Otherwise it may cost extra dollars in benefits charged to your account.

B. U. C. Notice at Lay-off (Form UC–15)

When you lay off a worker, he needs to receive Form UC–15—from YOU—to help him claim benefits.

So you are required to give him a UC–15. When?

Whenever you are discharging or laying off an employe —or his employment is being terminated or suspended for any other reason—for one week or more, ***give him Form UC–15, on (or just before) his last work-day.***

Keep a reasonable supply of Form UC–15 on hand for anticipated lay-offs or other separations.

Order what you need from "Mailing Room, U. C. Dept., 137 E. Wilson St., Madison 1, Wis." (In an emergency, you can get a limited supply of these forms from your District Unemployment Compensation Office.)

Before giving Form UC–15 to an employe:—Enter on the back (near the bottom):

(1) your FIRM-NAME, and
(2) your Wisconsin U. C. "FILE NO.", and
(3) the ADDRESS where your pay records are kept.

C. Notice as to certain "Low-Earning" Weeks

In any case where an employe cannot readily determine his own wages for each separate CALENDAR WEEK, in view of the pay-basis and pay-periods which apply to him, notify him as to his exact WAGES for each *"Low-Earning" Calendar Week.*

A worker must file claim for partial unemployment benefits,—giving the exact amount of his wages for each "low-earning" calendar week. (The *calendar week* is the law's basic time unit for measuring unemployment.)

Accordingly, each employer is required to promptly notify each worker **(in those cases where the worker could not otherwise be sure)** of the amount of wages he earned in each of his "low-earning" calendar weeks,—namely, those calendar weeks for which his wages were (a) less than the law's maximum benefit rate; and (b) less than ¾ of his average weekly wage from the employer.

You may use any form of notice which shows the employe his wages for each "low-earning" calendar week.

However, such wage information need *not* be given an employe for any calendar week in which his "low-earnings" were due to his illness or absence (rather than lack of work).

No special notice as to "low-earnings" need be given:—

(a) to employes whose *pay-period* is the *calendar week,*—so that they always know how much wages they earn for each separate calendar week; *or*

(b) to employes paid on a fixed (or minimum) *salary basis,*—such that their pay for every calendar week is more than their benefit rate; *or*

(c) to employes paid solely on a *flat daily (or hourly) rate,*—so that they can readily figure their weekly pay, by keeping track of the days (or hours) worked in each calendar week; *or*

(d) to employes paid solely on a *fixed rate* per piece (or per sale),—without any other variation in pay,—so that they can readily figure their weekly pay, by keeping track of the pieces (or sales) completed in each calendar week; *or*

(e) to those employes whose *average weekly wage* is under $16, —since they are not eligible for unemployment benefits, under the law.

Part II. BENEFIT REPORTS—to the Commission

When an unemployed worker claims benefits, his employer must furnish certain information so that the commission can determine the employe's claim.

So, when an employe claims benefits, we ask the employer for a benefit report,—by entering the employe's name (etc.) on the proper report-form, and sending it to the employer.

To aid prompt payment of benefits, employers must *file* their *benefit reports promptly.*

There are 4 basic questions to be answered in determining an employe's benefit claim, as follows.

(1) Is the employe "qualified"—that is, has he worked long enough for all covered employers, combined?

(2) If so, how much benefit "credits" does he have? That is, how much is his "weekly benefit rate", and for how many weeks may he be paid?

(3) Is he unemployed?

(4) Is he eligible for his current period of unemployment?

In some cases, all 4 questions must be answered; so the employer must file a "Benefit Liability Report" (Form UC–203).

However, after an employe's "benefit credits" have been determined as to any employer, they need not be redetermined until they are used up or expire. When such an employe has a new period of unemployment, only questions (3) and (4) need be answered to determine his claim. In such cases, the employer is sent a simpler "Benefit Eligibility Report" (Form UC–23).

In brief, the commission will ask for Form UC–203 only when it has to determine (a) whether the employe is "qualified" for benefits, or (b) how much benefit credit is available to the employe. In other cases, it will request Form UC–23.

WARNING. Return a benefit report, uncompleted, to the requesting U. C. Office,—and explain the facts,—where the individual:—

1. Did not work for you at all; or
2. Worked only for an affiliated outfit (not you); or
3. Did work for you, if such work was covered under a different state's U. C. law.

A. The BENEFIT LIABILITY REPORT—Form UC–203

(1) File it, on request:—Within 5 Days

If a UC–203 report is required for an employe, the commission will enter the employe's name, your name, and related information on a Form UC–203, and send it to you.

Whenever you receive a UC–203 for an employe, you should complete and file it *completely and promptly*,—even if you believe the employe is ineligible.

Form UC–203 is due at the district office within 5 days after the request-date entered on the form.

If an employer's UC–203 report is tardy or incomplete, and delays benefits, the law instructs the commission to take the following steps:—

1. **Take the employe's statement as to his wages and work weeks for that employer.**
2. **Determine the employe's benefit rights based on his statement, and pay him without further delay.**
3. **Charge the employer $5 as a tardy filing fee. This must be paid by the employer, unless he files the required report and shows that the delay was due to circumstances beyond his control.**
4. **Apply any late UC–203 only to benefits not yet paid.**

FILE ALL SUCH REPORTS PROMPTLY.

(2) What to Show on Form UC–203.

The next page shows about how a Form UC–203 might look when it reaches you.

ITEMS under HEADING:—"1. BENEFIT RATE"

ALWAYS fill out A or B, as follows:

Item A. If the employe's average weekly wage from you is more than the amount specified in this item,—so that the law's maximum benefit rate clearly applies,—save time by checking the "box". (You can then ignore Item B.)

UC-203

Form UC—203
Wis. 6-57

1958 BENEFIT LIABILITY REPORT

by the Employer named below, under Wisconsin's Unemployment Compensation Law

1. BENEFIT RATE

→ *(Fill in:—A; or B)*

A. This Employe's "Average Weekly Wage" has been over $74: so his Benefit Rate is $38 . . . ☐

B. His 1958 Benefit Rate should be based on:-

(1) Total "wages" from us in 1957 $ _____

(2) Paid him for how many weeks? ☐ *

* *If over 9 weeks, omit (3) and (4)*

(3) Total "wages" from us in 1958 $ _____

(4) Paid him for how many weeks? ☐

2. CREDIT WEEKS

A. HOW MANY calendar weeks were there within which the Employe worked for you, at all, in covered employment:

From 195 7 Wk. No. 41

through 1958 Wk. No. 40

B. Enter that number of "credit weeks" in the red box. CREDIT WEEKS

3. LAST WORK or WAGES *The Employe Says:-*

A. He last worked for you in 1958 Wk. No. 40, on 10/3

If wrong, correct here:- Wk. No. _____, on _____

B. He was partially UNEMPLOYED in weeks No. _____

for which his WAGES from you were $ _____ $ _____ $ _____

If wrong, CORRECT WAGES were $ _____ $ _____ $ _____

4. ELIGIBILITY (Leave BLANK unless the law & facts support a denial.)

We deny benefits under the law (and "Instructions" UC-201) because this "eligibility PHRASE" applies:-

EVEN IF YOU BELIEVE BENEFITS ARE NOT DUE, FILL IN HEADINGS 1 and 2

List supporting FACTS on back.

36928 M 16-12893

JOHN Q PUBLIC
1234 W WATER ST
ANYTOWN WIS

XYZ MFG CO

Date

To the EMPLOYER: OCT 10

Complete and mail within 5 days after the above date to the above "Unemployment Comp. Office."

LA CROSSE

The Employer concedes that benefits may be paid, based on this report,—except as shown above or reported later.

SIGNED, for the Employer, BY **SPECIMEN**

Date

A tardy or incomplete report may cost you $5, under 108.04 (13) (c).

If you do not check Item A, complete Item B under "1. BENEFIT RATE".

Item B. The information you enter in Item B will in that case be used by the U. C. department in determining the employe's weekly benefit rate,—pursuant to the table printed in section 108.05 (1) of the law.

Complete your entries under Item B as follows:—

(1) Enter all the employe's WAGES from you, PAID IN the completed calendar year specified on line (1). Enter his GROSS wages, before deductions. (Include all kinds of "wages"—even for non-covered work.)

(2) Enter the number of PAY-WEEKS covered by those total wages.

If the employe had 10 or more pay-weeks with you during that year, his "average weekly wage" and corresponding benefit rate from you will be based solely on your figures for that year. *In that case you need not complete lines (3) and (4).*

If the employe's number of pay-weeks from you as shown in line (2) is 9 or less, fill out also lines (3) and (4), as follows:—

(3) Enter his gross WAGES from you, down to date in the calendar year specified on line (3).

(4) Enter the number of PAY-WEEKS covered by those wages.

The employe's benefit rate will then be based on the 2 years combined, namely on lines (1), (2), (3), (4).

Note: You may find it convenient to enter on each employe's employment record his total gross wages from you for each year,—when you prepare the U. S. withholding tax "Form W–2" or the state Department of Taxation's "Form 9" for the employe for that year.

ITEMS under HEADING:—"2. CREDIT WEEKS"

Note: How many "credit weeks" an employe has had determines how long he can draw benefits if he remains unemployed and eligible.

Enter that number of "credit weeks," even if you are denying his eligibility.

Before the District Office sends you a Form UC–203, it will fill in Item 2 A,—to show within what period you should count how many benefit "credit weeks" the employe has with you.

For instance, the form may ask you:—"How many calendar weeks were there *within* which the employe worked for you, *at all,* in covered employment, from 1957 Wk. No. 41 through 1958 Wk. No. 40?"

Such a question means that 1958 Wk. No. 40 was his most recent work-week for you,—and asks you how many "credit weeks" he has from you within the year before that.

A calendar of unemployment "week-numbers" is printed on the back of each UC–203 report-set. Refer to this calendar for the dates corresponding to the week numbers entered on Form UC–203.

Within that period, count *every* week in which the employe did *any work at all* for you, *in "employment" covered by the law.* (Don't count weeks in which the employe's only work was at an employment not covered by the law.)

Enter that figure under Item 2 B, in the red box.

That entry should include every work-week as a "student". (Then, if you believe those weeks shouldn't count as "credit weeks", use the "Eligibility" space to state your views. See Part III, D (4) below.)

ITEMS under:—"3. LAST WORK OR WAGES"

When the District Office sends you a Form UC–203, it will fill in, under Heading 3—"Last Work or Wages",—Item 3 A (last work-week) or Item 3 B (partial unemployment), or both, depending on the employe's claim.

If the employe's statement, as shown by these District Office entries, is wrong, give correct information.

ENTRIES under HEADING:—"4. ELIGIBILITY"

If you believe there's a legal reason why the employe is "ineligible", enter that reason under "ELIGIBILITY".

Such a reason will usually apply only to the current period for which the employe has filed a claim; but certain reasons do apply to past work-weeks (where you deny that they are "credit weeks"). See Part III of these Instructions.

Before you make any entry under Heading 4, consult the standard *"Eligibility Phrases"* (Part III of these Instructions), to see which phrase—if any—applies under the law. If one of these phrases *does apply* to the employe, enter that phrase under Heading 4, *and* file the supporting evidence required for that phrase.

If no "phrase" applies, leave Heading 4 blank,—thereby conceding the employe's eligibility.

If no "phrase" is entered under Heading 4 of your Benefit Liability Report,—the employe may be regarded as "eligible", with any benefits due under the law paid accordingly. (However, as set forth below, the commission will enforce certain requirements and limits in every case.)

THE BACK of FORM UC-203 (Top Copy)

Every "Eligibility Phrase" you use under Heading 4 *requires a supporting statement,*—to be entered on the back of the top copy of the Benefit Liability Report (or firmly stapled to it).

Merely entering such a phrase will not contest (or even delay) benefits, if you fail to submit supporting evidence on (or stapled to) your UC-203 report. **If the required evidence is missing when we receive the report, your unsupported contesting entry may be ignored.** Such a case may be treated as a "conceded" case,—authorizing payment.

If you believe several phrases might apply, enter under Heading 4 the phrase on which you prefer to rely;— but also explain, on the back, what other phrases you believe apply, and why. In that way your other legal reasons can be considered if the commission (based on the facts you submit) finds your preferred "phrase" inapplicable.

(3) What You Authorize By Signing a UC–203 Report

Your signature at the bottom of Form UC–203 concedes (or contests) benefit liability,—in accordance with your "ELIGIBILITY" entries and supporting evidence.

If you contest liability, and submit the required supporting evidence,—the commission will consider the reason you give (on Form UC–203), and may further investigate the facts of the case. If it then decides that benefits are payable under the law, you will be notified (and given a chance to request a hearing) before any payment can be made.

In case you make *no contesting entry* (on Form UC–203) or if you contest without submitting the supporting evidence required,—the commission will pay benefits accordingly, subject to the limitations set forth on the back of Form UC–203.

> Wisconsin employers have conceded liability as to more than 90% of all benefits paid to date. Disputes between the Employer and the Employe have been confined to a relatively small percentage of cases.

In brief, your signature authorizes the payment of benefits,—subject to your contesting entries and evidence,—*within the limits prescribed by law.*

The commission will enforce certain requirements and limits in every case. Therefore you need not and should not enter a phrase, as to:—"waiting period"; "failed to register"; "not enough qualifying work"; "failed to apply for work (of which he was notified by the employment office)"; "average weekly wage under $16"; "more than 52 weeks after last work-week".

Each week you will receive copies of any benefit checks charged to your account. From them you can spot any charging errors. We also ask, each time we send you a worker's check-copy:—"Is he working elsewhere? Could you re-employ him?"

B. The BENEFIT ELIGIBILITY REPORT—Form UC–23

(1) File it, on request:—Within 5 Days

The commission's District Office, at which the employe claims benefits, will enter his name (etc.) on Form UC–23 and send it to you, when that report is needed.

Complete it, and mail it to the requesting district office within 5 days after the specified request-date.

If your UC–23 report is not received *within 7 days* after the request-date, benefit payments will proceed without awaiting your report. A late report will apply only to benefits not yet paid.

If benefits are paid improperly, from another employer's account,—because you fail to file a requested UC–23 report or to raise a denial issue,—it may cost your account some benefits, under section 108.04 (13) (d).

(2) What to Show on the UC–23 Report

The illustration on the next page shows about how a Form UC–23 might look when it reaches you from the commission's District Office.

The form has 2 sections. Both may apply. If one section applies, the District Office will check only that one. Report the correct facts, for each section thus checked.

Your answer to 1 A should tell us whether he worked on each of the week's regular work-days on which you had work for him. If not, explain the facts on the back of the report.

If wages reported in 1 B are wrong, enter the correct GROSS wages earned in the calendar week.

If you check 2 B 2, the above page 11 applies. If you answer 2 C, section III-C (below) will apply.

Form UC-23
Wis. 3-57

ELIGIBILITY REPORT

under Wisconsin's Unemployment Compensation Law

UC-23

Report on CALENDAR Weeks

EXPLANATION: This Employe is claiming unemployment benefits.

We need to know about his work for you to determine whether payment is due.

Please report the facts for each section checked [✓].

If this report is not received within 7 days of the date below, we will pay without it.

Your prompt reply may prevent an incorrect payment.

PLEASE NOTE BACK SIDE

Date

To the EMPLOYER: AUGUST 21

Complete and mail within 5 days after the above date to the above "Unemployment Comp. Office."

KENOSHA

1. [✓] In Wk. No. 33 ending 8/16

A. Did he work whenever you had work for him? ..... Yes or No

B. WAGES earned in that week, from you:

He says he earned $ 19.36

If wrong, CORRECT WAGES were $.....

36928 M16-12893

JOHN Q PUBLIC
1234 W WATER ST
ANYTOWN WIS

XYZ MFG CO

2. [✓] As to the END of his work for you:

A. He says he last worked for you in 1958 Wk. No. 33, on 8/12

If wrong, correct here:— Wk. No. ...., on .....

B. Check WHY he is no longer working for you:

(1) [ ] Laid off, lack of work; or

(2) [ ] Quit [ ] Misconduct [ ] Other

List all FACTS on back of top copy.

C. If he is receiving vacation, holiday or dismissal PAY, how much? For which calendar weeks?

SIGNED, for the Employer, BY SPECIMEN

If this report is tardy or incomplete, you may be charged with benefits improperly paid.

Date

Part III. Standard "ELIGIBILITY PHRASES"

Whenever you question an employe's eligibility by entering a standard "Eligibility Phrase" on your Benefit Report, you must support it by a statement of the relevant facts, as explained under the phrase in question below.

If possible, start the supporting statement on the front of your Benefit Report, and finish it on the back of the top copy. If more space is needed, staple another sheet to your report.

The law sets up certain qualifying standards, and suspends or cancels benefits under certain specified conditions. These various "eligibility" conditions are summarized by the following standard "Eligibility Phrases". (Each of these phrases is based on a specific provision of the law, as indicated below.)

Your use of these standard phrases will avoid confusion, prevent misunderstanding, and show what provision of the law you believe applies to the employe.

If you believe an employe's eligibility is questionable, therefore, use a standard "phrase" in the "Eligibility" space on your benefit report (Form UC–203 or Form UC–23).

Before entering any phrase, make sure whether it applies—by reading the legal provision and explanation set forth below.

If you enter a "standard eligibility phrase", it will indicate your belief that the employe is *not* eligible, and will show what legal provision you believe makes him ineligible. (To avoid misunderstanding, always enter the standard "phrase" in full.)

In all cases, your entry of a "standard eligibility phrase" will require a *supporting statement,*—setting forth the specific facts which you believe make the stated eligibility condition apply to the employe in the given week. (A mere contesting entry may be ignored, unless duly supported by the required evidence.)

The explanation of each phrase below tells you *when* such a statement should be filed, and what points it should cover.

If you believe that several "phrases" might apply, enter the phrase on which you prefer to rely; but *also* explain (in a supporting statement) what other provisions you believe are applicable, and why. In that way these other points can be considered, in case your preferred "phrase" is held inapplicable.

Benefits are payable whenever *no phrase is shown on your Benefit Report.*

Benefits may also be paid,—in case the required *supporting evidence is lacking.*

In some cases, you may want to raise a new eligibility issue after you have filed your UC–203 report.

Maybe you forgot to raise the issue on your UC–203 report; or perhaps you learn that something new has happened (such as, refusal of a job offered the claimant by you or another employer).

Tell us promptly. The new information will apply *only* to benefits not yet paid.

Meanwhile, we're sending you copies of benefit checks each week, as a reminder.

A. Phrases which may SUSPEND BENEFITS.

(1) "WORK AVAILABLE". 108.04 (1) (a) provides:—

(a) An employe shall be ineligible for benefits for any week in which he is with due notice called on by his current employing unit to report for work actually available within such week and is unavailable for work or physically unable to do his work.

If that condition applied to an employe in a week for which he has claimed benefits, you may use the phrase "work available" on your Form UC–203 or UC–23. (The above requirement of "due notice" means either actual or reasonably presumed notice to the given employe.)

Explain the facts in a supporting statement. Specify what week it was. Did the employe know on what days there was work for him? Who told him? If nobody told him, how should he have known?

(2) "CONTINUED UNAVAILABILITY"

Section 108.04 (1) (b) provides:—

(b) An employe shall be ineligible for benefits from an employer's account for any week if his employment with such employer was suspended by the employe or by the employer or was terminated by such employer because the employe was unavailable for work, or on a voluntary leave of absence granted for a definite period, or physically unable to work, in case such unavailability or inability continues during the week in question, or if such week occurs during the definite period of such leave and before the employe has returned to work.

"Continued unavailability" cases should be few, and exceptional. This phrase may be used for an employe who has become seriously ill, incapacitated or otherwise unavailable,—but *only if* such unavailability is expected to continue for a considerable number of weeks, and his employment has therefore been suspended or terminated.

You should use the phrase *"work available"* (in preference to "continued unavailability") as to most *short separations* due to illness or other unavailability —including *all low-earning weeks,*—where the employe had due notice of work actually available within the missed week (or on the missed days) in question.

However, if you believe that the above-quoted provisions as to "continued unavailability" do apply to an employe who claims benefits, file Form UC–203 or UC–23 as requested, but enter the phrase "continued unavailability".

Your supporting statement should set forth the facts, and the reasons why you believe the above phrase applies. (If a leave of absence was granted at the employe's request, your supporting statement should say so, and should give the starting and ending dates of the leave, and should tell whether the employe returned to work. If no leave was granted, your statement should give specific facts as to the date on which the employe became unavailable for work or unable to work, the nature of his unavailability or inability, and the date on which his employment was suspended or terminated.

(3) "PREGNANCY". Section 108.04 (1) (c) provides:—

(c) A pregnant woman shall be deemed unavailable for work and ineligible for benefits for the period which begins 8 weeks before the week which includes the expected date of childbirth and which ends 4 weeks after the week which includes the date of childbirth. The commission may require any such claimant to submit a doctor's certificate to establish such dates.

If you believe a woman (claiming benefits from you) is pregnant, use this phrase on your Benefit Report.

The commission's U. C. Dept. will then find out the expected date of childbirth, and will apply the above section.

(4) "WORKMEN'S COMPENSATION"

Section 108.04 (12) (e) provides:—

(e) Any individual who receives a temporary total disability payment under ch. 102 for a given week shall be ineligible for benefits paid or payable for that same week under this chapter.

Ch. 102 is the workmen's (accident) compensation law.

Use this phrase as to an employe, who has claimed U. C. benefits for a given week, when he's receiving (for that same week) a "workmen's compensation" payment for total disability caused by an industrial accident.

Tell us that he's disabled, and getting accident pay.

(5) "DISCIPLINE"

Section 108.04 (6) provides:—

(6) DISCIPLINARY SUSPENSION. As to an employe's weeks of unemployment by reason of a disciplinary suspension by a given employer, the employe shall be ineligible for benefits from such employer's account as follows:

1. If the suspension was for misconduct connected with his employment, he shall be ineligible for each such week.

2. If the suspension was for other good cause connected with his employment, he shall be ineligible for the first three such weeks ending within any calendar year.

The phrase "discipline" indicates a *temporary suspension* for misconduct, or other "good cause". Correspondingly, this phrase suspends benefits temporarily,—without cancelling the employe's past "credit weeks" from the employer.

If an employe files a benefit claim covering any week of "discipline", enter this phrase on your Benefit Report.

Your supporting statement should give specific facts as to the time, place and nature of the alleged misconduct (or other "good cause"), should explain how it was connected with the employe's employment by you, should give the exact date on which the employe was notified of your disciplinary action and should state on what dates the suspension began and ended.

If your claim of "discipline" is based on the employe's violation of a disciplinary rule, your statement should:— (a) quote the rule itself; (b) explain any special circumstances supporting the reasonableness of the rule, if the rule is not self-explanatory and reasonable on its face; (c) state whether the rule is well established and known to your employes; and (d) explain to what extent it has been enforced as to all your employes.

(6) "QUIT"

Section 108.04 (7) provides:—

(7) VOLUNTARY TERMINATION OF EMPLOYMENT. (a) If an employe terminates his employment with an employing unit, he shall be ineligible for any benefits based on such employment, and ineligible for benefits based on other previous employment for the week of termination and the 4 next following weeks, except as hereinafter provided.

(b) Paragraph (a) shall not apply if the commission determines that the employe terminated his employment with good cause attributable to the employing unit.

(c) Paragraph (a) shall not apply if the commission determines that the employe terminated his employment for compelling personal reason; provided that, if the commission determines that he is physically unable to work or substantially unavailable for work, he shall be ineligible while such inability or unavailability continues.

(d) Paragraph (a) shall not apply if the commission determines that the employe terminated his employment to take another job; provided, that he shall be ineligible, for benefits based on the employment terminated, until he has been employed within at least 7 subsequent weeks.

(e) Any benefits paid pursuant to paragraph (c) or (d) based on the employment terminated shall be charged against the fund's balancing account; but the employer shall continue to be recognized as an interested party in any such case.

In case you believe an employe "quit", but he claims benefits,—file a UC–203 or UC–23 for him (promptly upon receipt of a request for such a report). Enter the phrase "quit", under "Eligibility" in your report, and specify the "week number" of the week in which he quit.

Your supporting statement should tell when the employe left your employ, and what reason he gave to you (to his foreman, the personnel department, or the like) for his quitting.

If paragraph (c) or (d) applies, the industrial commission's U. C. Dept. will also apply paragraph (e).

(7) "REFUSED WORK"

Section 108.04 (8) provides:—

(8) SUITABLE WORK. (a) If an employe fails either to apply for work when notified by a public employment office or to accept work when offered to him, and such failure was without good cause as determined by the commission, he shall be ineligible for the week in which such failure occurs and thereafter until he has again been employed within at least 4 weeks and has earned wages equalling at least 4 times his weekly benefit rate.

(b) If the commission determines that such a failure has occurred with good cause, but that the employe is physically unable to work or substantially unavailable for work, he shall be ineligible for the week in which such failure occurred and while such inability or unavailability continues.

Where you know that a totally unemployed worker (claiming benefits from you) has "refused work" offered him by an employer directly (instead of through the employment office),—you should report all relevant facts, as follows:—

(a) If such a job refusal occurs before you file your Benefit Report,—enter the phrase "refused work",—and explain the circumstances.

(b) If the employe is receiving benefits at the time when such a job refusal occurs,—send us a letter at once (addressed to *Adjustments,* Unemployment Compensation Department, 137 East Wilson Street, Madison 1, Wisconsin), and send a copy of your letter to the "Examiner" at your district employment office. Label your letter "Refused Work",—to show that it is urgent.

An employe may of course have "good cause" for refusing a job. For example, under 108.04 (8) (d) or (9).

(8) "LABOR DISPUTE"

Section 108.04 (10) provides:—

(10) An employe who has left (or partially or totally lost) his employment with an employing unit because of a strike or other bona fide labor dispute shall not be eligible for benefits from such . . . employer's account for any week in which such strike or other bona fide labor dispute is in active progress in the establishment in which he is or was employed.

Send a SPECIAL LETTER—AT ONCE.

Promptly after a labor dispute *in your establishment* has started to interrupt work, you should report this fact,—in a letter setting forth the date on which the dispute started, the nature of the controversy, the establishment directly involved, the number of employes employed in such establishment just before the dispute started, and the number of them out-of-work because of the dispute. Don't wait until you have to file a benefit report for one of the employes in question.

Address your letter to "Adjustments, Unemployment Compensation Department, 137 E. Wilson Street, Madison 1, Wisconsin", and send a copy of your letter to the "Examiner" at your district employment office.

If we ask you to file a Benefit Report as to any such employe, you should enter the words "labor dispute—letter of _____", on your UC–203 or UC–23 report, and specify the first week during which the employe was out of work because of such dispute. (Specify the date of the letter which you filed, as to the given dispute.)

B. "MISCONDUCT"—may BAR BENEFITS (and cancel past CREDIT WEEKS)

Section 108.04 (5) provides:—

(5) An employe's eligibility, for benefits based on those credit weeks then accrued with respect to an employing unit, shall be barred for any week of unemployment completed after he has been discharged by the employing unit for misconduct connected with his employment; . . .

In case you believe that the phrase "misconduct" applies to an employe's discharge, but he claims benefits, file a UC–203 or UC–23 for him (promptly upon request). Enter the phrase "misconduct".

Your supporting statement should state specific facts as to the time, place and nature of the alleged misconduct, and should explain how it was connected with the employe's employment by you.

If your claim of "misconduct" is based on the employe's violation of a disciplinary rule, your statement should:— (a) quote the rule itself; (b) explain any special circumstances supporting the reasonableness of the rule, if the rule is not self-explanatory and reasonable on its face; (c) state whether the rule is well established and known to your employes; and (d) explain to what extent it has been enforced as to all your employes.

NOTE: The above provision does not bar benefits where an employe is laid off because of mere inefficiency or poor workmanship. Unsatisfactory conduct, — even though it results in discharge,—is not necessarily *"misconduct"*. In general, "misconduct" exists only where the employe is guilty of some willful act, failure or course of conduct—involving insubordination, the violation of established rules, or violation of those standards of behavior which an employer has a right to expect of every employe.

C. Phrases as to "WAGES" for Specified Weeks

These phrases question:—(a) whether the claimant is unemployed in certain weeks, or (b) whether full benefits are payable.

(1) "HOLIDAY PAY"

Section 108.05 (4) (a) provides:—

> **(a)** An employe's holiday pay for a given week shall, for benefit purposes, be treated as wages for that week only if it has become definitely payable to the employe within 4 days after the close of that week.

When a paid holiday falls in a calendar week for which an employe is claiming benefits, will his pay for that holiday be counted as "wages"—in figuring his benefits for that week?

Only if it has been settled, by Wednesday of the next week, that he will definitely receive pay for that holiday—without any ifs or buts about it.

Whether a claimant's holiday pay will count as "wages" —for the week in which the holiday occurs—doesn't turn on when it's paid. It turns on when his right to receive such pay has become final,—without depending on his being rehired or on any other future event.

If a claimant's right to holiday pay has thus been settled, and has become definite and final,—by the Wednesday which follows the holiday week,—then use the phrase, and specify:—(a) how much holiday pay, and (b) for which week.

(2) "VACATION PAY"

Section 108.05 (4) (b) provides:—

(b) An employe's vacation pay shall, for benefit purposes, be treated as wages for a given week only if it has by the close of that week become definitely allocated and payable to the employe for that week and he has had due notice of such allocation; provided that, in any case where an employe's vacation pay has not been thus allocated to a given week, his employer may:

1. Allocate it to a future week of the employe's unemployment, with due notice to him and to the commission; or
2. Deduct from such pay, without penalty under s. 108.24, such benefits paid for a past week as the employe would not have received if such pay had been currently allocated to such week, in which event the employer shall promptly transmit the amount thus deducted to the commission for his account in the fund and the commission shall correct the employe's benefit credits accordingly.

If an employe claims benefits for a week for which he will receive vacation pay from you, that pay can be counted as wages,—in figuring his benefits for that week,—if by the close of that week:—

(a) It has become definitely payable (so that nothing will prevent his getting paid), *and*

(b) It has been allocated to that week (for example, by union contract or by general practice), *and*

(c) The employe had due notice of that fact (for example, by a letter, posted notice, or union agreement).

If all three of the above conditions have been met, enter the phrase "Vacation Pay" and specify each week for which a vacation payment was or will be made, and its amount for each such week.

What happens if one or more of the above conditions is not met by the close of that week? If you still want the vacation pay taken into account, you have two choices:

(a) You may deduct from the employe's vacation pay the amount of benefits (for a past week) which he would not have received if his vacation pay had been currently allocated to that week. If you do that, you must transmit the amount thus deducted to the commission, to be credited both to your account and to the employe's benefit rights.

or (b) You may notify the commission and the employe that you want the vacation pay allocated to his next week of unemployment. Specify the amount of such vacation pay and the date it was paid.

(3) "DISMISSAL WAGE"

If an employe who claims benefits is being paid a "dismissal wage" for one or more weeks after his lay-off, enter the phrase "Dismissal Wage" under "eligibility" on your UC–203 or UC–23 benefit report for him.

Specify to which weeks the dismissal wage applies, and the amount of dismissal wage for each week.

(4) "OTHER WAGES" or "OTHER WORK"

If you know that a benefit claimant is doing other work for pay, which might affect his benefit payments, tell us where he's working, on form UC–203 or UC–23, or by phone or by letter to the U. C. Examiner at your district employment office. This will help make sure he reports the wages from that job, when he claims each week.

D. Phrases as to QUALIFICATION for BENEFITS

(1) "_____ CANNING SEASON"

Section 108.04 (4) (c) provides:—

(c) An employe shall not be eligible to receive benefits from the account of an employer who is engaged in the canning of fresh perishable fruits or vegetables, based on his weeks of employment by such employer ending within a given calendar year, if during such year he has been employed by such employer solely within the active canning season or seasons (as determined by the commission) of the establishment in which he has been employed by such employer, unless he had earned wages (for services performed for one or more other employing units, and submits adequate evidence of such wages) of $200 or more during the 52 weeks preceding his first week of employment by such canning employer ending within such year.

The phrase should always indicate the season in question, for instance "*pea* canning season", "*corn* canning season", or the like).

Enter the phrase "_____ Canning" on your Benefit Report only if the claimant's only work for you was within your active canning season or seasons.

In such a case, it is then up to the claimant to show that his wages were $200 or more, from all other employing units combined, in the 52 weeks before he began his canning season work for you.

(2) "SELF-EMPLOYED"

Section 108.02 (22) provides:—

(22) Self-Employment. An individual shall be deemed to be "self-employed" if he is engaged (not in the employ of another) in a business or enterprise which he has undertaken for the purpose of producing a substantial part of his gross income.

Section 108.04 (4) (d) provides:—

(d) An employe shall not be eligible for benefits from a given employer's account for any given week, if he is customarily self-employed, and there have been not more than 20 weeks in which he worked as much as 15 hours per week for such employer, and he has worked at his self-employment 30 or more weeks out of the 52 weeks preceding termination of his employment by such employer, and can at such termination reasonably return to his customary (or other similar) self-employment.

When you file a *Benefit Report* with respect to such an employe, you should enter the above phrase under "Eligibility" on Form UC–203 or UC–23.

Your supporting statement should specify in how many of the past 52 weeks the employe worked at his customary self-employment, and should describe the nature of such work. You should also certify that there have been not more than 20 weeks in which the employe worked as much as 15 hours for you, and that all the other (above-quoted) provisions of Section 108.04 (4) (d) applied to the employe *at the close of the last week* covered by your Benefit Report.

(3) "PIN BOY"

Section 108.04 (4) (e) provides:—

(e) In no case shall any employe employed by any bowling alley as a pin boy be eligible to receive any benefits, based on such employment, for unemployment during May, June, July, or August.

If you operate a bowling alley, and a claim is filed by an employe who worked for you *as a pin boy,* you may enter the phrase "pin boy" under "Eligibility" on your Form UC–203 or UC–23 report for him. Your supporting statement should state in how many weeks the employe worked for you solely as a pin boy.

This entry will prevent the payment of benefits for unemployment occurring from the first week ending in May through the last week ending in August.

(4) "STUDENT in _____ of those weeks"

Section 108.04 (4) (f) provides:—

(f) An employe shall not be eligible for benefits from a given employer's account for any given week, nor shall such week be counted as a credit week for benefit purposes, if such employe is or was a student (regularly attending an established educational institution in the most recent school term) and his employment in such week occurred:

1. Solely within the customary vacation days or periods of schools, colleges, and universities.
2. Outside of school hours for not more than 4 hours on any full school day.

3. By such educational institution.
4. By a separate employer as a formal and accredited part of the regular curriculum of such educational institution.
5. Outside of *his* school class hours for not more than 24 hours in the given week, if in such week he is carrying at least a half-time schedule of courses in such school.

If and when you file a *Benefit Report* for such an employe:—(1) Your report should cover all his work weeks. (2) Remember that each work week in which he did *any* work for you, *outside the limits* specified above, is a "credit week"; so don't enter the phrase "student" for any such week. (3) Enter the above phrase on Form UC–203 or UC–23, and specify in how many work weeks you employed him *solely within the above limits.*

(5) "Not Covered in _____ other work-weeks"

If you receive a Benefit Liability Report (UC–203) for any individual who has worked for you, file it promptly,—even if you believe that some or all of his work for you was "not covered" by the law; but enter (and explain) the above phrase under the "Eligibility" section of your report-form, as follows.

If you claim that during some of his work-weeks he did no work at all for you in "employment" covered by the law, do not report those weeks as "credit weeks"; but:—

(a) enter the phrase "Not Covered in _____ other work-weeks"—under the "Eligibility" section—showing in *how many* calendar weeks his work was done *entirely* in an employment *excluded* by the law; and

(b) specify which exclusion you believe applies, under the law,—*and why.* (Compare section 108.02 (5) (g) of the law, and specify on which paragraph you rely.)

This phrase should *not* be used as to any calendar week in which any part of the individual's work was "covered" under the law. Every such week is a "credit week".

E. Phrases as to RETIREMENT

Section 108.04 (15) provides:—

(15) RETIREMENT PAYMENTS. If an employe claims benefits based on his past work for a covered employer, but such employer duly notifies the commission pursuant to subsection (13), and the commission determines, that the employe is receiving or has claimed and will receive retirement payments, as to any week covered by his benefit claim, under a group retirement system to whose financing any employing unit has substantially contributed or under a government retirement (or old-age insurance) system or under both, then the benefits thus claimed:

(a) Shall be denied for any such week, from the account of such employer, if the employe left his employment with that employer to retire before he reached the compulsory retirement age used by that employer.

(b) Shall not be denied for any such week, from the account of such employer, if the employe is otherwise eligible and left or lost his employment with that (or any other) employing unit because he had reached the compulsory retirement age used by the employing unit in question.

(c) Shall, if payable, be determined for any such week by treating all but $5 of the employe's weekly rate of such retirement payments as if it were "wages".

108.04 (15) will apply to a claimant only if the employer (claimed against) chooses to raise the retirement issue.

The employer may raise the retirement issue on his UC–203 report; or he may raise it later, as to benefits not yet paid.

There are really two kinds of "retirement" issues, under section 108.04 (15).

(1) "QUIT TO RETIRE"

The phrase "quit to retire" (i.e. to draw his retirement benefits, without working any more) will apply only if the worker's retirement occurred (a) before any compulsory retirement age which applied to him, or (b) when no such age applied to him.

So, if you claim that a worker "quit to retire", your report to us should specify both (a) the compulsory retirement age which applied to him, if any did, and also, in that case, (b) the worker's age at retirement.

If you have any evidence that the worker left your job in order to draw his retirement pay (and not for some other reason), report that too.

You should also report the kind of retirement pay he is receiving; since when; under what retirement system; and how much, per month.

If 108.04 (15) (a) applies, it bars benefits from the employer thus quit.

(2) "RETIREMENT PAY" (specify)

If this phrase applies, it may reduce a claimant's U. C. benefit payments,—depending on how much retirement pay he is receiving,—pursuant to 108.04 (15) (c).

But note that retirement pay not yet claimed doesn't count.

An employer who lays off an employe may raise this issue. For instance, if he believes the employe is receiving "social security" retirement pay.

If you choose to raise the retirement-pay question about a U. C. claimant, tell us what kind of retirement pay he is receiving; under what retirement system, or systems; since when; and how much, per month. (If you aren't sure how much, report your best estimate.)

For instance, your report might read:—"Retirement pay, $80 per month. Our company pension plan, $30, starting May 1958. Social security (OASI), about $50."

Part IV. Applying the Law's "WORK-TEST"

A. List your Job-Openings with Wisconsin's State Employment Service.

Each jobless claimant in Wisconsin must register for work, with the local office of the Wisconsin State Employment Service,—in order to be eligible for unemployment benefits.

So the public employment service office is your largest and best reservoir of labor supply.

YOU SHOULD USE THAT SERVICE FULLY.

By listing your job openings with the public employment office, you can help workers find jobs more promptly, and thus shorten unemployment and benefits.

If you list your job openings with the employment office it can send you the best qualified workers *available* in its files.

If you don't:—(1) you're failing to use a free source of available labor; and (2) unemployed claimants lose a chance to find a new job connection quickly; and (3) some employer is likely to be charged with extra benefits. (It might be YOU.)

B. Report Promptly the Results of Your Hiring Interviews with Benefit Claimants.

To remain eligible for benefits, a benefit claimant must (unless he has "good cause" under the law) :—

(a) apply for any reasonable job to which the employment office refers him; and

(b) accept any reasonable job which is definitely offered to him by an employer.

This is the law's basic work-test for benefit claimants. How well it works depends in large part on YOU,—and on every other employer.

To do a good job of enforcing the law's work-test, the commission needs certain information from you whenever you interview a job applicant who is currently claiming unemployment benefits.

If the claimant refuses the job (or if you decide not to offer it to him), it is important to have the facts.

A claimant has the right to refuse any job which is not to his liking—before or after it is offered to him; but his refusal may suspend his benefits, unless he had *"good cause"*.

What constitutes "good cause" does not depend solely on the worker's (or the employer's) ideas—the commission must make that determination, based on the facts.

If you offer a job to a claimant, but he refuses it, or if his actions are such as to prevent you from offering him the job (so you believe he is "work-shy"),—report the facts (by phone or letter) to the "U. C. Examiner" at your district employment office.

Report the claimant's name and address (and social security number, if possible); when you interviewed him; what kind of work and hours and wages you discussed; whether you clearly offered him the job; his reason for not wanting that job; and your comments on his reason.

Part V. OTHER U. C. POINTERS

A. Use Your COPIES of Benefit CHECKS.

Each week you will receive copies of any benefit checks charged to your account. From them you can spot any charging errors.

We also ask, each time we send you a worker's check-copy:—"Is he working elsewhere? Could you re-employ him?"

If an employe earns wages in a week for which he claims benefits, he must report them. We record them on his benefit check and on your check copy, near the left end.

In the lower left corner, we show the calendar week *number* of the check's Benefit WEEK.

If you know that an employe earned wages which do not appear on your copy of the check covering the week in which he earned them, tell us. He may be guilty of fraud, and the law's fraud penalties should be applied.

Sometimes an employe claims benefits for one more week, after going back to work for you (but before receiving his pay-check). He shouldn't, if he earns as much as his weekly benefit rate. Do any of YOUR employes do this?

Your benefit check copies will tell you,—if you look. (They won't, if you don't.)

B. Use your U. C. District Office.

To operate Wisconsin's "employment security" program (unemployment compensation and employment service) the industrial commission maintains district offices in these cities:—

Appleton	Lancaster	Rhinelander
Ashland	Madison	Sheboygan
Beaver Dam	Manitowoc	Stevens Point
Beloit	Marinette	Superior
Eau Claire	Milwaukee	Watertown
Fond du Lac	(3 offices)	Waukesha
Green Bay	Neenah	Wausau
Janesville	Oshkosh	Wisconsin Rapids
Kenosha	Racine	
La Crosse		

Get to know your district office, and your U. C. Examiner. (To phone him, look under "Unemployment Compensation" in the phone book.)

C. Use Calendar Week NUMBERS.

You'll find a calendar of U. C. week numbers:—(1) on the back of your UC–203 or UC–23 copy; and also (2) here, on the next page.

CALENDAR OF 1957–1960 "WEEK NUMBERS"

1957 Weeks

No.	Ending	No.	Ending
1	Jan. 5	27	July 6
2	12	28	13
3	19	29	20
4	26	30	27
5	Feb. 2	31	Aug. 3
6	9	32	10
7	16	33	17
8	23	34	24
9	Mar. 2	35	31
10	9	36	Sept. 7
11	16	37	14
12	23	38	21
13	30	39	28
14	April 6	40	Oct. 5
15	13	41	12
16	20	42	19
17	27	43	26
18	May 4	44	Nov. 2
19	11	45	9
20	18	46	16
21	25	47	23
22	June 1	48	30
23	8	49	Dec. 7
24	15	50	14
25	22	51	21
26	29	52	28

1958 Weeks

No.	Ending	No.	Ending
1	Jan. 4	27	July 5
2	11	28	12
3	18	29	19
4	25	30	26
5	Feb. 1	31	Aug. 2
6	8	32	9
7	15	33	16
8	22	34	23
9	Mar. 1	35	30
10	8	36	Sept. 6
11	15	37	13
12	22	38	20
13	29	39	27
14	April 5	40	Oct. 4
15	12	41	11
16	19	42	18
17	26	43	25
18	May 3	44	Nov. 1
19	10	45	8
20	17	46	15
21	24	47	22
22	31	48	29
23	June 7	49	Dec. 6
24	14	50	13
25	21	51	20
26	28	52	27

1959 Weeks

No.	Ending	No.	Ending
1	Jan. 3	27	July 4
2	10	28	11
3	17	29	18
4	24	30	25
5	31	31	Aug. 1
6	Feb. 7	32	8
7	14	33	15
8	21	34	22
9	28	35	29
10	Mar. 7	36	Sept. 5
11	14	37	12
12	21	38	19
13	28	39	26
14	April 4	40	Oct. 3
15	11	41	10
16	18	42	17
17	25	43	24
18	May 2	44	31
19	9	45	Nov. 7
20	16	46	14
21	23	47	21
22	30	48	28
23	June 6	49	Dec. 5
24	13	50	12
25	20	51	19
26	27	52	26

1960 Weeks

No.	Ending	No.	Ending
1	Jan. 2	27	July 2
2	9	28	9
3	16	29	16
4	23	30	23
5	30	31	30
6	Feb. 6	32	Aug. 6
7	13	33	13
8	20	34	20
9	27	35	27
10	Mar. 5	36	Sept. 3
11	12	37	10
12	19	38	17
13	26	39	24
14	April 2	40	Oct. 1
15	9	41	8
16	16	42	15
17	23	43	22
18	30	44	29
19	May 7	45	Nov. 5
20	14	46	12
21	21	47	19
22	28	48	26
23	June 4	49	Dec. 3
24	11	50	10
25	18	51	17
26	25	52	24
		53	31

To Wisconsin EMPLOYERS:—

Please USE these **UC–201** **Instructions, as to**

BENEFIT NOTICES AND REPORTS

required from you under Wisconsin's U. C. law.

We'll always need YOUR COOPERATION, under Wisconsin's U. C. law:—

1. *to apply the law correctly*
2. *to apply it fairly*
3. *to help workers find suitable jobs*
4. *to pay U. C. benefits promptly*
5. *to encourage more regular work*
6. *to do a good job of operating this important state program*
7. *in all those ways, to help maintain Wisconsin's faith in democratic government.*

INDUSTRIAL COMMISSION OF WISCONSIN

CALL your _____

WISCONSIN STATE EMPLOYMENT SERVICE

for QUALIFIED WORKERS

Industrial Commission
Form UC-400
Wis. 3-57

REQUEST FOR HEARING ON CLAIM

FOR UNEMPLOYMENT BENEFITS

In the matter of the claim of

_____ Employe No.
Employe

_____
Street Number

_____
City

Involving the account of

_____

To the Industrial Commission of Wisconsin
Unemployment Compensation Department:

The undersigned hereby requests a hearing on the above claim and alleges that the deputy's initial determination or decision, Form UC dated 195 , is in error on the following grounds:

_____

_____

_____

_____

_____

_____

_____

Signed _____

_____

Filed in triplicate at _____ this _____ day of _____, 195__

_____
Unemployment Compensation Department Representative

REQUEST FOR HEARING. As to any initial determination under section 108.09 or 108.22(8), either party thereto may request a hearing by an appeal tribunal as to any matter therein, pursuant to section 108.09.

Any such request shall be filed in writing with a representative of the commission's unemployment compensation department at a district public employment office, except as a commission deputy may waive that place of filing in a specific case. (See Com. Rule 40A.)

UC-401B
Wis. 2-55

INDUSTRIAL COMMISSION OF WISCONSIN
UNEMPLOYMENT COMPENSATION DEPARTMENT
Appellate Section

137 E. Wilson St.
Madison 1, Wis.

In the matter of the claim of

Employe,

involving

The account of

Employer,

Hearing No.

We acknowledge receipt of your request for hearing on this claim. The matter will be scheduled in the near future, and you will be notified of the time and place of hearing several days in advance of the hearing date. You must be prepared to present your case at the time scheduled, since the commission will not continue hearings to a later date except in case of emergency. Should an emergency arise that will prevent your appearing at the time appointed, immediately phone or otherwise promptly notify your district employment office.

The hearing will be before an appeal tribunal established by the Industrial Commission to hear and decide the issue. You may, if you wish, be represented at the hearing by an attorney or agent, or you may present your own case. The law provides that agents or attorneys representing the employe shall not charge more than 10% of the maximum benefits at issue, unless the commission has first approved a higher fee. If you appear without attorney, the appeal tribunal will endeavor to bring out the necessary facts from the witnesses produced.

Each party must arrange for the appearance of his own witnesses at the time scheduled for the hearing. Be sure to bring to the hearing those persons who have "first hand" knowledge of the facts of the case. The appeal tribunal will not consider hearsay evidence in reaching its decision. If you intend to rely in whole or in part upon documentary evidence, bring the original papers whenever possible and have witnesses in attendance who are competent to testify to their authenticity and contents. If a necessary witness refuses to appear, a subpoena should be obtained from your examiner at your local employment office and served on the witness before the hearing.

If you have not already done so, we suggest that you confer with our examiner at your local employment office so that you may fully understand the law and your rights in regard to this claim. It may appear from such a conference that your request for a hearing was based on a misconception of the law, or that the amount involved is less than you realize. The law contemplates that you may withdraw your request for hearing at any time; and, in view of the delays and expenses necessarily involved in any hearing, we urge that you make certain that you wish to proceed, before a hearing is actually scheduled.

INDUSTRIAL COMMISSION OF WISCONSIN

Unemployment Compensation Department

Note: Form UC-401 was today sent to the respondent in this case.

UC-401C
Wis. 8-55

INDUSTRIAL COMMISSION OF WISCONSIN
UNEMPLOYMENT COMPENSATION DEPARTMENT
APPELLATE SECTION

137 E. Wilson St.,
Madison 1, Wis.

In the matter of the claim of

Employe,

involving

Hearing No.

The account of

Employer,

We enclose copy of request for hearing on the above claim. This is in the nature of an appeal and, as to the benefits in dispute, no payment will be made pending final decision. The matter will be scheduled in the near future, and you will be notified of the time and place of hearing several days in advance of the hearing date. You must be prepared to present your case at the time scheduled, since the commission will not continue hearings to a later date except in case of emergency. Should an emergency arise that will prevent your appearing at the time appointed, immediately phone or otherwise promptly notify your district employment office.

The hearing will be before an appeal tribunal established by the Industrial Commission to hear and decide the issue. You may, if you wish, be represented at the hearing by an attorney or agent, or you may present your own case. The law provides that agents or attorneys representing the employe shall not charge more than 10% of the maximum benefits at issue, unless the commission has first approved a higher fee. If you appear without attorney, the appeal tribunal will endeavor to bring out the necessary facts from the witnesses produced.

Each party must arrange for the appearance of his own witnesses at the time scheduled for the hearing. Be sure to bring to the hearing those persons who have "first hand" knowledge of the facts of the case. The appeal tribunal will not consider hearsay evidence in reaching its decision. If you intend to rely in whole or in part upon documentary evidence, bring the original papers whenever possible and have witnesses in attendance who are competent to testify to their authenticity and contents. If a necessary witness refuses to appear, a subpoena should be obtained from our examiner at your local employment office and served on the witness before the hearing.

INDUSTRIAL COMMISSION OF WISCONSIN

Unemployment Compensation Department

UC-403

BEFORE THE INDUSTRIAL COMMISSION OF WISCONSIN
UNEMPLOYMENT COMPENSATION DEPARTMENT

In the matter of the claim of _____, Employe, _____ against The unemployment reserve account of _____, Employer, _____	)	Hearing No. _____

WITHDRAWAL OF REQUEST FOR HEARING

Appellant's request for hearing on the above claim is hereby withdrawn, and appellant hereby consents to the payment or denial of benefits in accordance with the initial determination herein.

Dated at _____ this _____ day of _____, 195_____.

Signed_____

By_____

Filed at the _____ office of the WSES.

_____
U. C. Representative

Note: Appellant's signature on this form constitutes a dismissal of the appeal. Therefore no hearing will be held in this matter, and any hearing already scheduled is hereby canceled.

Make 3 copies. Copies 1 and 2 to the Unemployment Compensation Department, Madison. Copy 3 retained by employment office.

UC-401D
Wis. 8-56

INDUSTRIAL COMMISSION OF WISCONSIN
UNEMPLOYMENT COMPENSATION DEPARTMENT
Appellate Section

In the matter of the claim of

137 E. Wilson St.
Madison 1, Wis.

Employe,

Hearing No.

involving

The account of

Employer,

To the respondent named above:

You recently received a copy of a decision issued by the deputy of the commission, which decision suspended or terminated the benefit rights of the above employe with respect to your reserve account. The employe has taken exception to the commission decision, and we enclose herewith a copy of the request for hearing which notes the exceptions taken.

The decision of the commission was not based on any denial of liability you may have made but on information obtained from the commission on its own investigation. However, since the matter involves the rights of the employe with respect to your account, you are being furnished a copy of the request for hearing and will be notified of the time and place of hearing.

Inasmuch as the decision was not based on information furnished by you, it will not be necessary for you to attend the hearing, though you may do so if you desire. If you have any facts bearing on the question in issue, we urge you to be present.

Very truly yours,

INDUSTRIAL COMMISSION OF WISCONSIN

Unemployment Compensation Dept.

UC-402
Wis. 11-55

BEFORE THE
INDUSTRIAL COMMISSION OF WISCONSIN
UNEMPLOYMENT COMPENSATION DEPARTMENT

In the matter of the unemployment benefit claim of

Hearing No.

Employe, _____

involving

The account of

Employer,

NOTICE OF HEARING

Notice is hereby given that a HEARING will be held, in the above case, on

_____, 19____ at _____ o'clock, _____M., in

_____, Wisconsin, at _____.
(If no hearing room is stated here, ask the building custodian.)

ISSUE or issues appealed from: _____

Other _____

Appeal Tribunal: _____, examiner, will preside.

Dated at Madison, Wisconsin, this _____ day of _____, 19____

INDUSTRIAL COMMISSION OF WISCONSIN
Unemployment Compensation Department
Appellate Section

IMPORTANT: Immediately upon receipt of this notice, necessary witnesses should be informed and definite arrangements made for their attendance. Continuance cannot be granted merely for the convenience of a party, nor even by agreement of the parties. Except in case of great emergency, hearing will be held as and when scheduled.

UC-15 NOTICE as to CLAIMING Unemployment BENEFITS under Wisconsin's Law } FOLLOW the INSTRUCTIONS, over →

Leave Blank

PRINT each answer PLAINLY

Leave These Boxes Blank

1. Your NAME _____ FIRST NAME INITIAL LAST NAME

2. _____ Your Social Security Number

3. Your Home ADDRESS _____ NUMBER and STREET (or R.F.D.) _____ City and Zone No. _____ STATE _____ Code

4. LIST EACH EMPLOYER for whom you've worked WITHIN the PAST 52 WEEKS.

Leave Boxes BLANK	FIRM-NAME, and ADDRESS where you worked.	No. of WEEKS WORKED in past 52 weeks	LAST DAY WORKED
A.	LAST Employer _____	_____	_____ Month Day
	Street & City _____		
B.	2nd-Last _____	_____	_____ Month Day
	Street & City _____		
C.	3rd-Last _____	_____	_____ Month Day
	Street & City _____		

Leave blank

5. TOTAL wages FOR your last CALENDAR work-week? If Tuesday was last work-day, show wages FOR Sun. Mon. Tues. } $_____

6. Since your last work-day, have you REFUSED any work or job offer? _____ Yes or No

7. Have you worked OUTSIDE of Wisconsin, in the past 2 years? _____ Yes or No

8. Date of birth _____ Month Day Year

9. If a VETERAN, service ended _____ Month Year

10. I have answered ALL questions, CORRECTLY _____ SIGN your NAME DATE _____ claim is filed

V F M

6-56

TO the EMPLOYE:—

From: Wisconsin's INDUSTRIAL COMMISSION.

(1) Fill out this benefit-claim, AT HOME.

(2) PRINT each answer PLAINLY, in CAPITAL letters,—to prevent mistakes and delays.

(3) REPORT,—PROMPTLY after your lay-off,—to the nearest STATE employment office.

(4) If that's a full-time office (5 days; 7:45–11:45 A. M. and 12:30–4:30 P. M.), REPORT according to how your LAST NAME begins, in the HALF-DAY shown below:—

NAME	A	B	C–F	G–H	I–K	L–M	N–R	S	T–Z
DAY	Monday A. M.	Monday P. M.	Tuesday A. M.	Tuesday P. M.	Wednesday A. M.	Wednesday P. M.	Thursday A. M.	Thursday P. M.	Friday A. M.

(5) If there's no full-time office near you, REPORT during the hours our representative visits the nearest town.

(6) Your employer's poster ("How to Claim Unemployment Benefits") should tell you WHERE to report.

(7) BRING ALONG:—(a) this CLAIM-form; and (b) your employment service CARD.

TO the EMPLOYER:—

You are REQUIRED, under Wisconsin's U.C. law and rules, to give a copy of this NOTICE to EACH of your employes "whenever (his) employment is *for any reason* terminated or suspended for one or more weeks".

GIVE this form to each such employe on (or just before) his LAST WORK-DAY.
In advance, ENTER below your:— (1) FIRM-NAME; and
(2) Wis. U.C. FILE NUMBER; and
(3) ADDRESS - - where pay records are kept.

PLEASE DO IT.
INDUSTRIAL COMMISSION
OF WISCONSIN

ENTRIES by EMPLOYER

FIRM-NAME____

WIS. U.C. FILE NO. _____

ADDRESS where payroll records are ___ ___

If we later NAME this employe, and ask you for a REPORT on his work and pay, will NAMING him be enough to locate his records?

IF NOT, check what else you need:—

CLOCK Number ☐

LOCATION where he worked ☐

OTHER _____ ☐
Specify

DO these 3 things :- (1) WAIT, until your next REPORT-DATE, to fill out this form.
THEN:—(2) Answer EVERY question; and (3) REPORT in person, WITH this form.

UC-17
Wis.
6-54

Employe's CLAIM for Unemployment BENEFITS under Wisconsin's U. C. Law } for the Calendar WEEK ending SATURDAY _____

A. As to that WEEK, ending that Saturday:—

(1) Did you DO any work? [ ] Yes or No

(2) Are you getting holiday or vacation pay? [ ] Yes or No

If "YES" enter:—

(a) Total WAGES—FOR that week? (include holiday and vacation pay) $_____ from all jobs. Include pay still coming.

(b) Your EMPLOYER in that week? NAME _____ ADDRESS _____

(3) Were you OFFERED any work? [ ] Yes or No If "YES", explain on the back.

C. Are you working now? [ ] Yes or No

B. PRINT these items:—

Your Social Security Number _____ _____ _____

D. I know the law provides PENALTIES for FALSE STATEMENTS to obtain benefits. I have answered ALL questions correctly.

Your NAME _____
First Name Initial Last Name

Date signed _____
Report-Date

Street or Rural Route _____

SIGN your name HERE _____

City _____
(Post Office)

Have you moved since last week? Yes or No

Report in person, and bring this form, on your report-day.

CALENDAR OF 1956 and 1957 "WEEK NUMBERS"

1956 Weeks

No.	Ending	No.	Ending
1	Jan. 7	27	July 7
2	14	28	14
3	21	29	21
4	28	30	28
5	Feb. 4	31	Aug. 4
6	11	32	11
7	18	33	18
8	25	34	25
9	Mar. 3	35	Sept. 1
10	10	36	8
11	17	37	15
12	24	38	22
13	31	39	29
14	April 7	40	Oct. 6
15	14	41	13
16	21	42	20
17	28	43	27
18	May 5	44	Nov. 3
19	12	45	10
20	19	46	17
21	26	47	24
22	June 2	48	Dec. 1
23	9	49	8
24	16	50	15
25	23	51	22
26	30	52	29

1957 Weeks

No.	Ending	No.	Ending
1	Jan. 5	27	July 6
2	12	28	13
3	19	29	20
4	26	30	27
5	Feb. 2	31	Aug. 3
6	9	32	10
7	16	33	17
8	23	34	24
9	Mar. 2	35	31
10	9	36	Sept. 7
11	16	37	14
12	23	38	21
13	30	39	28
14	April 6	40	Oct. 5
15	13	41	12
16	20	42	19
17	27	43	26
18	May 4	44	Nov. 2
19	11	45	9
20	18	46	16
21	25	47	23
22	June 1	48	30
23	8	49	Dec. 7
24	15	50	14
25	22	51	21
26	29	52	28

To the EMPLOYER:-

Please complete this required report—promptly.

Make SURE you fill in Headings 1 and 2.

(A) We need this report from you, in order to determine:-

(a) Whether this Employe has met the law's "qualifying work" requirement; and

(b) Whether he is eligible for benefits, based on his work *for you;* and, if so, for how much benefits.

(B) If you duly contest his claim, under Heading 4, by entering a valid "phrase" plus supporting facts, you will receive a separate determination on your issue; but only if the Employe actually claims *benefits based on his work for you.*

(C) If and when benefits are allowed, based on the Employe's work for you, you will receive a copy of the determination showing how much benefits he might draw, based on such work.

★ ★ ★

In filling out this report, please follow the directions printed under each Heading.

If in doubt, please refer to your copy of our printed "Instructions" (UC-201).

INDUSTRIAL COMMISSION OF WISCONSIN

Each TARDY or INCOMPLETE report may cost you $1 extra

Form UC—203
Wis. 6-56

1957 BENEFIT LIABILITY REPORT

by the Employer named below, under Wisconsin's Unemployment Compensation Law

1. BENEFIT RATE

→ *(Fill in:—A; or B)*

A. This Employe's "Average Weekly Wage" has been over $70 so his Benefit Rate is $36 . . ☐
$74 $38

B. His 1957 Benefit Rate should be based on:-

(1) Total "wages" from us in 1956 $ _____

(2) Paid him for how many weeks? ☐ *

** If over 9 weeks, omit (3) and (4)*

(3) Total "wages" from us in 1957 $ _____

(4) Paid him for how many weeks? ☐

Date

2. CREDIT WEEKS

A. HOW MANY calendar weeks were there within which the Employe worked for you, at all, in covered employment:

From 195____ Wk. No. _____

through 1957 Wk. No. _____

B. Enter that number of "credit weeks" in the red box. **CREDIT WEEKS**

3. LAST WORK or WAGES *The Employe Says:-*

A. He last worked for you in 1957 Wk. No. _____, on _____

If wrong, correct here:- Wk. No. _____, on _____

B. He was partially UNEMPLOYED in weeks No. _____ _____ _____

for which his WAGES from you were $ _____ $ _____ $ _____

If wrong, CORRECT WAGES were $ _____ $ _____ $ _____

4. ELIGIBILITY (Leave BLANK unless the law & facts support a denial.)

WE deny benefits under the law (and "Instructions" UC-201) because this "eligibility PHRASE" applies:-

EVEN IF YOU BELIEVE BENEFITS ARE NOT DUE, FILL IN HEADINGS 1 and 2

List supporting FACTS on back.

The Employer concedes that benefits may be paid, based on this report,—except as shown above or reported later.

SIGNED, for the Employer, BY _____

_____
Date

To the EMPLOYER:

Complete and mail within 5 days after the above date to the above "Unemployment Comp. Office."

A tardy or incomplete report may cost you an extra $1 of benefits. 108.04 (13) (c).

KEEP the CARBON COPY for your files

Form UC—203
Wis. 6-56

1957 BENEFIT LIABILITY REPORT

by the Employer named below, under Wisconsin's Unemployment Compensation Law

1. BENEFIT RATE

→ *(Fill in:—A; or B)*

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for which his WAGES from you were $ _____ $ _____ $ _____

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SIGNED,
for the
Employer, BY _____

Date _____

To the EMPLOYER:

Complete and mail within 5 days after the above date to the above "Unemployment Comp. Office."

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KEEP the CARBON COPY for your files

14220

68

Form UC-30

INITIAL DETERMINATION as to UNEMPLOYMENT BENEFITS (under Wisconsin's Law)

Wis. 7-56

A. The EMPLOYE has filed a VALID BENEFIT CLAIM, based on his work for the EMPLOYER. Benefits are ALLOWED, as follows:

B. _____ is the NUMBER of WORK-WEEKS, for the Employer, on which the benefit rights below are based.

C. $_____ is the Employe's "WEEKLY BENEFIT RATE", for a week of TOTAL unemployment.

D. $_____ is the MAXIMUM BENEFITS which may become payable under this DETERMINATION.

E. WK. NO. _____ of 19_____ is the FINAL WEEK for which any of those benefits can be paid.

F. _____ is the NUMBER of BENEFIT WEEKS for TOTAL unemployment.

G. WK. NO. _____ IS the FIRST WEEK for which benefits are being paid, by separate mail.

INDUSTRIAL COMMISSION OF WISCONSIN

Deputy, Unemployment Compensation Dept.

DATED_____
(and delivered or mailed to the Employe)

Benefits are payable only for those weeks in which the Employe is unemployed and eligible.

OVER

To the Employer:— This determination is based on your own report(s).

If you raised any eligibility issue, it has been finally determined under the law, and any disqualification imposed has been satisfied. Therefore this determination is not subject to appeal by you.

However, if you discover any error in your Benefit Liability Report(s) on which this determination is based, and wish to correct it, please write or wire at once to the Unemployment Compensation Dept., 137 East Wilson St., Madison 1, Wisconsin.

To speed any correction, give the employe's U. C. "claim-number", as shown above his last name.

(Adjustment will be made, so far as benefits then unpaid hereunder may permit.)

YOU WILL RECEIVE A COPY OF EACH BENEFIT CHECK issued under this determination.

If you offer a job to this Employe while he is drawing benefits, and he refuses it, report that fact at once. Send us a **special delivery** letter (addressed to **Adjustment,** Unemployment Compensation Dept., 137 East Wilson St., Madison 1, Wisconsin), and send a carbon copy of your letter to the Examiner at your district employment office. Label your letter "Refused Work,"—to show that it is urgent.

Form UC-30

INITIAL DETERMINATION as to UNEMPLOYMENT BENEFITS (under Wisconsin's Law)

Wis. 7-56

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INDUSTRIAL COMMISSION OF WISCONSIN

Deputy, Unemployment Compensation Dept.

DATED_____
(and delivered or mailed to the Employe)

Benefits are payable only for those weeks in which the Employe is unemployed and eligible.

OVER

APPEAL PROCEDURE

If you wish to object to any point in this determination, you may file a written request for hearing.

Your request (if any) must:—

(a) be filed within ten (10) calendar days of the date shown on the front; and

(b) specify to what point you object; and

(c) be filed with a representative of the Unemployment Compensation Department, at your district employment office, either in person or by letter.

(The commission will not accept responsibility for any request sent directly to its Madison administrative office.)

KEEP THIS RECORD
of each benefit check you receive

DATE on check, above your name	Benefit Week	Amount of check	DATE on check, above your name	Benefit Week	Amount of check

If you lose any check, or fail to receive it, **you will need this record**—to help you establish which check it was. Besides, you will need it to report your U. C. benefits on your Wisconsin Income Tax return.

Form UC-30

INITIAL DETERMINATION as to UNEMPLOYMENT BENEFITS (under Wisconsin's Law)

Wis. 7-56

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INDUSTRIAL COMMISSION OF WISCONSIN

Deputy, Unemployment Compensation Dept.

DATED_____
(and delivered or mailed to the Employe)

Benefits are payable only for those weeks in which the Employe is unemployed and eligible.

OVER

AL 6 44 11 — Stat Admin Opinion

Unc. Dept opinion
Mr. Kroope

Payment of Unemployment Comp
on Union officers
that income $50/quarter or more

$35/mo — Pres
45 mo — Fin Secy
2 officers get $15/mo

[if a "mere director" then included]

Oscar Fritsche

What's the rule

11.25
4 | 45.00

Contribution
total Pay Roll?

Separate "

[non-profit exempt organization (Fed Tax) not covered if officers is less than $50/quarter]

Average weekly wage $16 ? p 17

Northern 4 other

4 — employees

4 | 45

Challenge of Vote
Unemployed for year
?

(2)

WERA

?. Employee right to petition (West. Union Tel. Co #36 1 (1954))

1st Petition

?. No showing of probable success to support

Union may request referendum after successful representation election, and before formal certification.

frequently board runs both together or at other time

No judicial review for order to conduct referendum

[Subsequent referendum not required for subsequent K — principle was approved — only employees themselves can change.] (Madison Dry Cleaning 414-418 1942)

One year referendum bar

Not normally a 2nd ref. in 12 mos.

(Bd. ruling) — Act says: either party may request a review, Bd determines if a change in attitude probable, then may conduct a new ref.

(3)

WEPA

2nd ref. in 12 mos. in Black Cat Cafe
& Wel. Un. Tel. Co (1959) #3661

& at Union request
Where change in employees and authorization cards.

Normal reach force ~~the~~ Employer does not justify new.

~~Interference~~
Only one decided case — Interrogation of employees as manner intended to vote
Presume tests of rep. election apply — New Ref. arbitrd
"Promise or threat"

2

Act applies, must have ref. before Union shop agreement — even if argument (& one would assume facts) say no ref could physically be held, e.g. Bldg. Trades.

If no ref, but Union shop agreement, & of Employer discharges — Unfair labor practice.
Union not required to take resp. for back wages
Algoma Plywood

If Union Shop authorized — & in K
Employer may required as condition of empl.
that Employee executes dues deduction authorization

But if no dues authorization signed
or No Union Sec. agreement in effect
then check off then violation 111.06(1)i)
& 111.06(1)(c)

Unfair labor practice to fail to enforce
valid Union Sec.
Not so if not valid.

Hanover, I.H. #1179 (1946
Unauthorized Union Shop clause
3 discharged — 2 to WERB on unfair
labor practice & reinstated
1 — went through gr. procedure to arbitration
but, Bd. would not always
upheld discharge, so remarkable —
won't receive arbitration

How to Win--or Lose

(Fourth in a series.)

UNEMPLOYMENT INSURANCE AND A HANDFUL OF VOTES

In the past session of Congress, one measure of vital importance to labor was saved by two COPE-endorsed Senators who were each elected by less than 51 per cent of the vote—and each of whom will be up for reelection in 1962.

This measure was legislation extending temporary unemployment compensation benefits to 725,000 workers who have exhausted jobless insurance payment rights since July 1960 and who are still out of work. An additional 2.4 million workers who are expected to use up regular state benefits before next April 1 will be helped by the program. Experts estimate that working people will receive a total of some $1 billion from the temporary jobless pay program.

On March 16, the Senate defeated an amendment to the measure by Harry Byrd (D., Va.) requiring each state to repay advances from the Federal Government to it solely from taxes imposed on employers within that state. The effect of this move would have been to transform the program into a deferred-loan operation. Instead of calling for employers across the nation to pay for the cost of the benefits, the Byrd proposal would have put the burden only on employers in states hardest hit by unemployment. **This totally neglected the fact that the recession in employment is national, not local.**

Forty-four Senators voted **against** the Byrd amendment, or **for** an effective temporary unemployment compensation law; and **42** voted **for** the Byrd amendment. In other words a switch of two votes would have meant passage of the amendment and would have crippled the legislation critically.

Two of the Senators voting against the crippling amendment were **John Carroll (D., Colo.) and Joseph Clark (D., Pa.).** It so happens that Carroll's victory margin when he was elected in 1956 was only some **2,800 votes out of 637,000—or a winning percentage of 50.2.** Clark won his election that year by some **18,000 votes out of 4,530,000—or a winning percentage of 50.1.**

In short, if a handful of voters in Colorado and Pennsylvania who favored these two Senators had thought "my vote doesn't count" and had failed to register and to go to the polls on Election Day, millions of working people now walking the streets in search of jobs would have suffered.

Have YOU registered to vote?

REGISTRATION MATERIALS AVAILABLE

COPE has posters, charts, leaflets and other material that will help you in your registration drive. Write to COPE, 815 Sixteenth St., N.W., Washingon 6, D. C., for sample materials, and then let us know how many you need.

THOSE STARRY-EYED YOUNGSTERS

"A program designed to recognize individual achievement and call for **less government control of individual affairs** is to be established as a national project of the U.S. Junior Chamber of Commerce."—The Stuart (Fla.) News.

"Lack of funds may force the closing of the Stuart Chamber of Commerce during the last two weeks of August and most of September, according to William Todt, Chamber president. Todt said that the failure of many Chamber members to pay their dues and **'the lack of support by the City of Stuart'** were causes of the deficiency in funds. **The city annually provides the Chamber with a building and its maintenance** but no longer funds for advertising or publicity, although it pays a press agent $1,200 annually to write 'fishing news'."—Same paper, same day.

PER FARM INCOME TO REACH RECORD HIGH THIS YEAR

The Farm Bureau, Chamber of Commerce and National Association of Manufacturers and their political pals claim that the Kennedy Administration has hurt the farmers. (They also claim it has hurt business despite the fact that profits are up.) But according to Fortune, the magazine of Big Business itself, "1961 will go into the record books as the **best farm year since Korea—on some counts, the best ever."**

Fortune points out that the net realized income per farm will shoot up to a **record** $3,300 this year. It adds, as if to muzzle the Kennedy critics: **"The sharp improvement in farm income** did not originate in the market place; it **was made in Washington . . ."**

135 BANK PRESIDENTS HEADED FOR JAIL

"In the fiscal year we are in, 135 bank presidents in America are going to jail for stealing money from the banks of which they are presidents. If we apply the same percentage it would mean that 12 International Union presidents would go to jail this year because they stole from their members."—AFL-CIO Secretary-Treasurer William F. Schnitzler in address to 36th convention of the Street, Electric Railway & Motor Coach Employes.

COPE Memo is published every two weeks by the Committee on Political Education, 815 - 16th Street, N.W., Washington 6, D. C. Subscription price $1.00 per year.

POSTMASTERS — ATTENTION. Notice to Publisher Form 3579 should be sent to C.O.P.E., 815 - 16th Street, N.W., Washington 6, D. C.

Second class postage paid at Washington, D. C.

17 17

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Name_____

Address_____ City_____ State_____

Signed_____ Union_____

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Mail to: COMMITTEE ON POLITICAL EDUCATION
815 16th St., N.W., Washington 6, D. C.

Stadem

EMORY F VIA
UNIVERSITY OF WIS
MADISON WIS
56 4980--2305 0000

UNEMPLOYMENT COMPENSATION ACT

	PRESENT PROVISIONS	ADVISORY COMMITTEE RECOMMENDATIONS	AFL-CIO STANDARDS
COVERAGE	Employes of an employer who employs four (4) or more persons.	Employes of an employer who employs three (3) or more persons. Logging industry to be covered by the Act.	Employes of an employer who employes one (1) or more persons.
ELIGIBILITY	Pregnant woman is ineligible for UC benefits for eight (8) weeks prior to the expected date of childbirth and four (4) weeks after the date of childbirth.	Pregnant woman is ineligible for UC benefits for ten (10) weeks prior to the expected date of childbirth and four (4) weeks after the date of childbirth.	
REQUIREMENTS	Employe must have had at least fourteen (14) "weeks of employment" within the 52 weeks preceding the close of his last week of employment.	Employe must have had at least eighteen (18) "weeks of employment" within the 52 weeks preceding the close of his last week of employment.	
AMOUNT OF UC BENEFIT	Eligible employe receives approximately 50% of his "Average Weekly Wage." Maximum benefit payable is $42, however.	Eligible employe receives approximately 50% of his "Average Weekly Wage." Maximum benefit for the last half of 1959 would be $41. Beginning January 1, 1960, the maximum would be approximately 52½% of the state average weekly wage. Maximum benefit would be recomputed every six months.	Eligible employe receives approximately 50% of his "Average Weekly Wage." Maximum benefit would be 66 2/3% of the state average weekly wage.
DURATION OF BENEFIT	Eligible employe receives his weekly benefit amount for approximately 70% of his "weeks of employment." Maximum number of checks 26½.	Eligible employe receives his weekly benefit amount for 70% of his first 20 "weeks of employment" and 80% of a remaining 25 "weeks." Maximum number of checks 34.	Eligible employe receives his weekly benefit amount for 39 weeks regardless of his "weeks of employment."

DO these 3 things :- (1) WAIT, until your next REPORT-DATE, to fill out this form.
THEN:—(2) Answer EVERY question; and (3) REPORT in person, WITH this form.

UC-17
Wis.
6-54

Employe's CLAIM for Unemployment BENEFITS under Wisconsin's U. C. Law } for the Calendar WEEK ending SATURDAY _____

A. As to that WEEK, ending that Saturday:—

(1) Did you DO any work? [ ] Yes or No

(2) Are you getting holiday or vacation pay? [ ] Yes or No

If "YES" enter:—

(a) Total WAGES—FOR that week? $_____ from all jobs. Include pay still coming.
(include holiday and vacation pay)

(b) Your EMPLOYER in that week? NAME _____
ADDRESS _____

(3) Were you OFFERED any work? [ ] Yes or No If "YES", explain on the back.

C. Are you working now? [ ] Yes or No

B. PRINT these items:—

Your Social Security Number _____ _____ _____

D. I know the law provides PENALTIES for FALSE STATEMENTS to obtain benefits. I have answered ALL questions correctly.

Your NAME _____
First Name Initial Last Name

Date signed _____
Report-Date

Street or Rural Route _____

SIGN your name HERE _____

City _____
(Post Office)

Have you moved since last week? Yes or No

Report in person, and bring this form, on your report-day.

UC-9

TO THE EMPLOYE: -

YOU HAVE BEEN NOTIFIED THAT A JOB IS AVAILABLE WITH:

NAME OF EMPLOYER _____

YOU SHOULD APPLY FOR THAT JOB, IN PERSON, AT ONCE.

TAKE THIS FORM TO THAT EMPLOYER. ASK HIM TO FILL IT OUT AND RETURN IT TO YOU.

YOU MUST BRING BACK THIS FORM, WITH THE EMPLOYER'S SIGNATURE, TO CONTINUE YOUR BENEFIT CLAIM NEXT WEEK. (SEE OVER

EMPLOYER'S REPORT ON APPLICATION FOR WORK (USE INK
(TO BE COMPLETED BY EMPLOYER, & RETURNED TO EMPLOYE)

THE EMPLOYE NAMED BELOW TODAY INQUIRED ABOUT A JOB WITH US.
CHECK, AND FILL IN, THE ITEMS WHICH APPLY

1. ☐ HE WAS HIRED, AND WILL START WORK ON . . _____ DATE

2. ☐ NO JOB WAS AVAILABLE. 3. ☐ APPLICATION PENDING.

4. ☐ HE DID NOT QUALIFY FOR THE AVAILABLE JOB.

5. ☐ HE WAS NOT WILLING TO TAKE THE JOB.
IF HE WAS NOT WILLING TO TAKE THE JOB, FILL IN ALL ITEMS BELOW.

6. WHAT JOB DID YOU DISCUSS WITH HIM?

(A) KIND OF WORK? _____

(B) WAGE? $_____PER _____. (C) HOURS PER WEEK? _____

(D) SHIFT . . . . FROM ____ AM PM TO ____ AM PM

7. . . . . DID YOU CLEARLY OFFER HIM THAT JOB? _____ YES OR NO

8. HIS REASON FOR NOT WANTING THAT JOB WAS: _____

_____

9. YOUR COMMENT ON HIS REASON? _____

_____

DATE OF INTERVIEW _____ SIGNED BY _____
EMPLOYER'S INTERVIEWER

NAME OF EMPLOYE →

DATE OF REFERRAL →

10-45 INDUSTRIAL COMMISSION OF WISCONSIN

TO THE EMPLOYE: -

YOUR CURRENT CLAIM FOR UNEMPLOYMENT BENEFITS MEANS THAT YOU WANT A SUITABLE JOB—AND WILL ACCEPT ONE AS SOON AS POSSIBLE.

1. THE EMPLOYMENT SERVICE HAS NOW NOTIFIED YOU THAT A JOB IS OPEN WITH THE EMPLOYER NAMED ON THE FRONT OF THIS SHEET.

   YOU SHOULD APPLY FOR THAT JOB, IN PERSON, AT ONCE.

   FAILURE TO APPLY CAN STOP YOUR BENEFITS. (SEE 4, BELOW.)

2. YOU MUST BRING BACK THIS FORM, WITH THAT EMPLOYER'S SIGNATURE, TO CONTINUE YOUR BENEFIT CLAIM NEXT WEEK.

   FAILURE TO DO SO CAN STOP YOUR BENEFITS. (SEE 4, BELOW.)

3. WHAT SHOULD YOU DO, IF YOU ARE OFFERED A JOB?

   IF YOU ARE OFFERED A JOB, YOU SHOULD TAKE IT, UNLESS YOU HAVE A REASON FOR REFUSING IT WHICH WOULD BE ACCEPTED AS "GOOD CAUSE" UNDER THE LAW.

   FAILURE TO TAKE IT CAN STOP YOUR BENEFITS. (SEE 4, BELOW.

4. WHAT HAPPENS IF YOU FAIL: -

   (A) TO APPLY FOR THE JOB?
   (B) TO BRING BACK THIS FORM?
   (C) TO TAKE A JOB OFFER?

   IF YOU DON'T HAVE "GOOD CAUSE" FOR YOUR FAILURE, THE LAW STOPS (OR POSTPONES) YOUR BENEFITS, UNTIL YOU DO GET A JOB AND (1) WORK IN 4 WEEKS AND (2) EARN 4 TIMES YOUR WEEKLY BENEFIT.

5. WHAT IS "GOOD CAUSE" FOR REFUSING, OR FAILING TO APPLY FOR, A JOB?

   THAT DEPENDS ON YOUR OWN CASE. NO FLAT ANSWER CAN BE GIVEN.

   IF YOU ARE IN DOUBT, YOU SHOULD TALK IT OVER WITH THE UNEMPLOYMENT COMPENSATION REPRESENTATIVE. HE WON'T TELL YOU WHAT TO DO, BUT HE CAN GIVE YOU INFORMATION ABOUT LOSS OF BENEFITS TO HELP YOU DECIDE.

6. YOUR JOB PROSPECTS

   NOT EVERY WORKER WILL BE ABLE TO FIND JUST THE KIND OF JOB (AND PAY) HE WANTS.

   AND REMEMBER, WHENEVER YOU TURN DOWN ANY JOB IT MAY STOP (OR POSTPONE) YOUR UNEMPLOYMENT BENEFITS.

INDUSTRIAL COMMISSION OF WISCONSIN

TO the EMPLOYE:—

From: Wisconsin's INDUSTRIAL COMMISSION.

(1) Fill out this benefit-claim, AT HOME.

(2) PRINT each answer PLAINLY, in CAPITAL letters,—to prevent mistakes and delays.

(3) REPORT,—PROMPTLY after your lay-off,—to the nearest STATE employment office.

(4) If that's a full-time office (5 days; 7:45–11:45 A. M. and 12:30–4:30 P. M.), REPORT according to how your LAST NAME begins, in the HALF-DAY shown below:—

NAME	A	B	C–F	G–H	I–K	L–M	N–R	S	T–Z
DAY	Monday A. M.	Monday P. M.	Tuesday A. M.	Tuesday P. M.	Wednesday A. M.	Wednesday P. M.	Thursday A. M.	Thursday P. M.	Friday A. M.

(5) If there's no full-time office near you, REPORT during the hours our representative visits the nearest town.

(6) Your employer's poster ("How to Claim Unemployment Benefits") should tell you WHERE to report.

(7) BRING ALONG:—(a) this CLAIM-form; and (b) your employment service CARD.

TO the EMPLOYER:—

You are REQUIRED, under Wisconsin's U.C. law and rules, to give a copy of this NOTICE to EACH of your employes "whenever (his) employment is *for any reason* terminated or suspended for one or more weeks".

GIVE this form to each such employe on (or just before) his LAST WORK-DAY.
In advance, ENTER below your:— (1) FIRM-NAME; and
(2) Wis. U.C. FILE NUMBER; and
(3) ADDRESS - - where pay records are kept.

PLEASE DO IT.
INDUSTRIAL COMMISSION
OF WISCONSIN

ENTRIES by EMPLOYER

FIRM-NAME____

WIS. U.C. FILE NO. _____

ADDRESS where payroll records are ___
___

If we later NAME this employe, and ask you for a REPORT on his work and pay, will NAMING him be enough to locate his records?

IF NOT, check what else you need:—

CLOCK Number ☐

LOCATION where he worked ☐

OTHER _____ ☐
Specify

UC-15 NOTICE as to CLAIMING Unemployment BENEFITS under Wisconsin's Law } FOLLOW the INSTRUCTIONS, over →

Leave Blank

PRINT each answer PLAINLY

Leave These Boxes Blank

1. Your NAME _____ FIRST NAME INITIAL LAST NAME

2. _____ _____ _____ Your Social Security Number

3. Your Home ADDRESS _____ NUMBER and STREET (or R.F.D.) _____ City and Zone No. _____ STATE _____ Code

4. LIST EACH EMPLOYER for whom you've worked WITHIN the PAST 52 WEEKS.

Leave Boxes BLANK	FIRM-NAME, and ADDRESS where you worked.	No. of WEEKS WORKED in past 52 weeks	LAST DAY WORKED
A.	LAST Employer _____	_____	_____ Month Day
	Street & City _____		
B.	2nd-Last _____	_____	_____ Month Day
	Street & City _____		
C.	3rd-Last _____	_____	_____ Month Day
	Street & City _____		

Leave blank

5. TOTAL wages FOR your last CALENDAR work-week? If Tuesday was last work-day, show wages FOR Sun. Mon. Tues. } $_____

6. Since your last work-day, have you REFUSED any work or job offer? _____ Yes or No

7. Have you worked OUTSIDE of Wisconsin, in the past 2 years? _____ Yes or No

8. Date of birth _____ Month Day Year

9. If a VETERAN, service ended _____ Month Year

10. I have answered ALL questions, CORRECTLY _____ SIGN your NAME DATE _____ claim is filed

V F M

6-56

I N V E S T I G A T I O N

To: ADJUSTMENTS DIVISION From: Office

Employe _____ Claim Number _____

Employer _____ Employer File No. _____

Employed by above at _____ Skills _____
City

Age _____ Height _____ Weight _____ Disability _____

I. ISSUE _____ Week Number _____

II. EMPLOYE STATEMENT

The above statement has been read by (to) me and is true and complete.

SIGNATURE _____

Date _____

O-157
Wis. 5-53 Rev.

III. INFORMATION BY _____ , _____ REPRESENTING EMPLOYER:
NAME POSITION

IV. ADDITIONAL INFORMATION _____ , _____
NAME IDENTIFY

V. "FINDINGS" AS TO DISPUTED ALLEGATIONS AND COMMENTS:

VI. RECOMMENDATION:

SIGNATURE _____

DATE _____

C-157
WIS. 11-72

Form UC-31
Wis. 2-54

INITIAL DETERMINATION as to U. C. BENEFITS
under
WISCONSIN'S UNEMPLOYMENT COMPENSATION LAW

_____ EMPLOYE Wis. U. C. Claim No. _____

_____ EMPLOYER Wis. U. C. File No. _____

Code _____ Sec. 108.04 _____

An issue has arisen, as to the Employe's claim for U. C. benefits, starting with 195__ Week No. _____

It is hereby DETERMINED that:-

So the EMPLOYE is NOT DISQUALIFIED.

This determination applies only to the disqualification question which arose in the week specified.

If the employe's benefit credits have not yet been determined, they will be determined on Form UC-30, after the employe has had a compensable week of unemployment.

INDUSTRIAL COMMISSION OF WISCONSIN

Michael B. Torphy
DEPUTY, U. C. DEPT.

NOTE the TIME LIMIT governing appeals.

Dated and Mailed _____

Any Appeal Must Be RECEIVED by _____

APPEAL PROCEDURE:

If you object to the above determination and want a public hearing, you should file a request promptly, as follows:

(a) Your request must be in writing, and specify your objection.

(b) It must be RECEIVED within 10 days *after the above mailing date, or it will be too late.*

(c) Make your request, in person or by letter, to a local office of the Unemployment Compensation Department or its representative, or to the office where benefits were claimed.

Form UC-32
Wis. 2-54

INITIAL DETERMINATION as to U. C. BENEFITS
under
WISCONSIN'S UNEMPLOYMENT COMPENSATION LAW

_____ EMPLOYE Wis. U. C. Claim No. _____

_____ EMPLOYER Wis. U. C. File No. _____

Code _____ Sec. 108.04 _____

An issue has arisen, as to the Employe's claim for U. C. benefits, starting with 195__ Week No. _____

It is hereby DETERMINED that:-

The EMPLOYE is therefore DISQUALIFIED for U. C. BENEFITS, as follows:-

INDUSTRIAL COMMISSION OF WISCONSIN

Michael B. Torphy
DEPUTY, U. C. DEPT.

NOTE the TIME LIMIT governing appeals.

Dated and Mailed _____

Any Appeal Must Be RECEIVED by _____

APPEAL PROCEDURE:

If you object to the above determination and want a public hearing, you should file a request promptly, as follows:

(a) Your request must be in writing, and specify your objection.

(b) It must be RECEIVED within **10 days** *after the above mailing date, or it will be too late.*

(c) Make your request, in person or by letter, to a local office of the Unemployment Compensation Department or its representative, or to the office where benefits were claimed.

Democratic Study Group (Confidential)

FACTS ON UNEMPLOYMENT INSURANCE

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HOW THE PRESENT FEDERAL-STATE SYSTEM CAME TO BE ESTABLISHED

In 1934 the Committee for Economic Security, appointed by President Roosevelt, was strongly impressed by the need for a national unemployment insurance system. For many years unemployment insurance bills had been introduced in state legislatures but only Wisconsin had acted, in 1931. Other states held back fearing to be put at a competitive disadvantage in their industrial development. The states had been reluctant to burden their employers with special taxes when competing industries in other states were not similarly burdened. Furthermore, it was clear that unemployment was more than an individual state problem. It was a national catastrophe and required national action. All these factors argued for a single national system.

On the other hand, the Committee feared that a single national unemployment insurance system might be upset by the Supreme Court which had not yet accepted the broad view of the Federal Government's responsibility for the general welfare.

The result was a combination federal-state program established in Titles III and IX of the Social Security Act.[1] A tax offset feature was used to induce states to set up their own unemployment insurance system. This law makes employers in all states liable for a 3% tax on payrolls. However, they are relieved of payment of 90% of this federal tax if they make contributions to state funds for unemployment compensation. The inducement proved sufficient and every state soon adopted legislation to take advantage of the tax offset.

---

1. The basic federal statute dealing with the unemployment insurance system is the Federal Unemployment Tax Act which is chapter 23 of the Internal Revenue Code. This is contained from pages 287 to 301 in Compilation of the Social Security Laws through December 31, 1958. The remaining statutory provisions dealing with unemployment compensation are contained in several titles of the Social Security Act. Title III of that act (Compilation of the Social Security Laws, pp. 110-112) contains the provisions dealing with grants to the states for unemployment compensation administration. Other provisions relating to the handling of the unemployment trust fund are contained in Title IX of the Social Security Act (Compilation of the Social Security Laws, pp. 130-134). Title XV of the Social Security Act deals with unemployment programs covering employees of the Federal Government and ex-servicemen.

From the remaining 10% of the federal tax, the portion for which no offset was allowed, the Federal Government provides grants to the states for the full cost of the state administration. The federal law also set up certain requirements which must be met under the state laws in order for employers to be eligible for the 90% offset against the federal tax. These "standards" require the (1) payment of benefits through a public employment office, (2) depositing state funds in an unemployment insurance fund managed by the federal treasury, (3) the right of unemployed workers to refuse jobs which do not meet prescribed standards without having their benefits withheld, (4) and the right of an unemployed worker to appeal if his claim is denied. Also, the states must set up administrative measures which are calculated to insure prompt payment of benefits when due.

In short, the function of the Federal Government now is limited primarily to insuring good administrative practices on the part of the state. There are no federal requirements as to eligibility, duration and amount of benefits. The failure of the Federal Government to require adequate benefit standards has been a persistent concern from the beginning.

It was hoped that a compromise federal-state system would bring some uniformity. The federal act levied a 3% tax on payrolls and allowed a 90% offset. It was expected that employers, therefore, would pay 2.7% on payrolls into the state funds. No employer in any state would be at a competitive advantage or disadvantage with any other employer in his own or any other state. With uniform rates it was hoped that the states might adopt fairly uniform provisions governing eligibility, benefits, duration and disqualification.

This has not happened, however, largely because of the introduction of experience rating in the state laws under which employers may pay a lower contribution rate if benefit payments to his own employees are low in number and amount. This principle was adopted from state legislation in the workmen's compensation field where it provided a financial incentive to reduce accidents. The Wisconsin unemployment insurance law had included experience rating on the theory that employers would be able to stabilize their work force and reduce their unemployment. Employers generally favored experience rating as a potential instrument for reduced rates. At the urging of Wisconsin representatives and other supporters of experience rating, Congress made experience rating compulsory

in the states. State contribution rates can be lowered below 2.7% only on the basis of individual employer experience with jobless pay claims. By requiring individual employer experience rating as a condition for the offset, other forms of rate adjustment such as on a state-wide basis were prohibited.

In the changing economic circumstances of war and post-war years experience rating has provided a financial incentive for lagging benefits behind the rise in wage levels and increasing the variations and lack of uniformity in state laws. Differential tax rates as between the states and as between employers have encouraged great variation in benefit levels, eligibility requirements, disqualification rules, etc. The cumulative effect has been a cheapening in several important respects and a generally lower cost level than that originally anticipated.[1]

The average employer contribution in one state may be seven times as much as in another;[2] and within a state tax rates can vary from 0% to 4.5% of taxable payroll.[3]

The variation in the tax rate made possible by experience rating then has defeated the original desire for some uniformity in the state laws, has inhibited adjustment of the weekly benefit amount with rising wage levels, has put many states at a competitive disadvantage, and has raised the question of the need for more federal standards. The variations in benefit levels are discussed in the next chapter.

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1. Chart C in Appendix shows the decline in average tax rates since 1938.
2. Chart B shows the current variation in average rates as between states.
3. Chart D shows the variation within states.

APPLICATION OF UNEMPLOYMENT INSURANCE PRINCIPLES IN THE STATE LAWS

Some principles of unemployment compensation are uniformly applied and some are not. For example, where the federal government has insisted -- such as on the principle that benefits be payable as a matter of right to eligible workers -- there is general observance. The unemployed worker does not have to submit to a needs test such as he would for relief or public assistance. So long as he is genuinely in the labor market, unemployed through no fault of his own or because of good cause, has genuine intention of working again as soon as he can find a suitable job -- in such a circumstance he is entitled to a benefit regardless of whether he has savings or other income. The application of the eligibility rules vary, but no needs tests are applied.

The great variations in state laws are in those matters where the Federal Government has no supervisory role, notably on benefit amounts and wage qualifying requirements. Chart A in the Appendix compares the state laws state-by-state.

Weekly Benefits and the Wage Insurance Principle

Originally unemployment compensation was conceived as a wage replacement program. The weekly benefit amount was intended to be some specified proportion of the claimant's lost weekly wage.[1] In this way it was presumed that his benefit would cover his living costs or non-deferrable expenditures. Also, with such a benefit formula, a constant proportion of lost purchasing power would be replaced.

Originally state laws embodied this wage loss idea in their individual benefit formulas or benefit schedules, which gave each claimant a benefit of 50% or more of his weekly wage.[2] In addition, a ceiling or maximum amount cut off the individual benefit formula in the higher wage and salary ranges; the higher-paid employees received the fixed maximum rather than a benefit of half their wage loss. The original laws set maximums high enough so that the individual half-of-

---

1. Draft laws prepared by the Committee on Economic Security in 1935 recommended a benefit of 50% or more of weekly wage loss for total unemployment.
2. In most states this is expressed as a fraction of "high quarter" earnings which averages weekly wages over a 13-week period. Eleven states also provide supplemental dependent allowances.

wages benefit principle operated over a wide range of wage levels and for the great majority of covered workers. Only ten or twenty percent of wage earners in the highest brackets received the maximum rather than half their own wage loss.

The subsequent history of the program has changed this wage insurance feature. The maximums have not been raised commensurately with wage levels, with the result that individual benefit formulas have been compressed and restricted in their application to lower-paid employees. As time went on, fewer and fewer claimants drew a benefit of half their own wage loss; more and more drew the maximum. Instead of being a wage insurance system, unemployment insurance has now become a fixed benefit program for the majority of covered employees. In some states now as many as three out of four claimants receive the maximum and, therefore, less than half their own individual wage loss.

To illustrate, a worker making the average wage of $23 in 1939 would receive a benefit of half his own wage in every state. But a worker making the average wage today - $90 - would get $45 in only five states. In all other states he would receive the specified maximum which would be less than half his earnings, and in the state with the lowest maximum, he would receive only $26.

To restore the wage insurance principle, maximums must be raised high enough so that the great majority will receive a benefit of half their individual wage loss. This is the principle in the President's oft-reiterated recommendation to the states.[1]

Obviously a fixed-dollar maximum amount, e.g. $45, may accomplish the desired results in a low wage state but not in a state with higher wage levels. However, if a maximum is specified as a percentage of each state's average weekly wage in covered employment, a general solution is possible. The Department of Labor has estimated that to implement the President's recommendation, maximums in each state must be between 60% and 66-2/3% of average weekly wages in

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1. See Economic Report of the President, 1954, 1955, 1956, 1957, 1958, 1959, and 1960. The 1960 Economic Report states, on p. 64: "In general, benefits have lagged behind the rise in wages, and it is again recommended that the states increase their benefits to make the great majority of covered workers eligible for payments equal to at least half their regular earnings; and that the states increase the maximum duration of benefits to 26 weeks a year for all eligible workers who remain unemployed that long."

covered employment in that state. This formula will produce a different dollar amount in each state and the dollar amount will be high enough that three out of four covered workers (the great majority) in each state will receive a benefit of at least half their individual wage loss. Only the top 25% of the highest wage earners would then receive the maximum and less than half their wage loss.

With this 60 to 66-2/3% of average weekly wages as a bench mark of adequacy, it is instructive to see what has happened in maximum benefit amounts relative to average weekly wages over the years. In every single state the maximum relative to wages is less now than it was in 1939.

Just how far the maximums relative to wages have fallen since 1939, just how much variation now exists between the states, and how little progress has been made in recent years can be seen from the following table. This table distributes states for selected years according to the ratio their maximum weekly benefit bears to their own average weekly wage.

Maximum Weekly Benefit Amount As A Percentage Of Average Weekly Wage	Number of States				
	1939	1953	1955	1957	1959
Over 70%	18	0	0	0	0
60-69%	17	1	0	0	1
50-59%	15	2	5	6	13
40-49%	1	29	31	32	27
30-39%	0	17	15	13	10
Under 30%	0	2	0	0	0

If maximums must be at least 60% to give expression to the wage insurance principle, it is clear from the table how much the program has deteriorated.[1] Compared with thirty-five states at that level or better in 1939, there is now only one, Hawaii.

The inadequacy of benefit levels has been measured in a series of adequacy studies, the most recent of which was made in Oregon in 1958.[2] The findings included the following:

> Only one out of four of our unemployment compensation claimants received weekly benefits of half or more of their wage loss... The average benefit received by four person families was just enough for food alone...Of all beneficiaries, thirty-two percent borrowed money, thirty-six percent decreased cash savings,

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1. The declining application of the wage insurance principle has been offset to some extent for the unemployed heads of families by extra dependent allowances in eleven states.
2. Oregon Unemployment Compensation Commission and Dr. Carl M. Stevens, The Adequacy of Unemployment Benefits, (Salem: 1959). Also, see Haber, Fauri, and Cohen, Significant Findings on the Impact of the 1957-58 Recession in Relation to Unemployment Insurance, University of Michigan, School of Social Work.

> forty-four percent increased their debt to stores, eleven percent cancelled life insurance, forty-one percent postponed medicine or dental care.

This is revealing because the average benefit in Oregon is $4 higher than the $30 national average.

Duration of Benefits

On duration of benefits, there is agreement that weekly benefit is "carrying power" until the worker can find a suitable job within a reasonable length of time and within the possible financial and solvency limits. Jobless benefits should preserve the skills and talents of the work force by sustaining the worker until he can find suitable employment.

The lower-than-anticipated cost of jobless insurance combined with the increasing length of the average period of unemployment has brought some liberalization in duration. The average claimant now gets about 22 weeks before his benefits are used up. But some states allow as few as six weeks to some claimants, and others give 39 weeks to some under certain conditions. The Eisenhower Administration has recommended to the states that no claimant should be entitled to less than 26 weeks. The general insufficiency of duration provisions was apparent in 1958-1959, when one out of three claimants had his benefits cut off before finding a job. In some states, almost half the claimants exhausted their benefits.[1] It was in recognition of this that Congress enacted the Temporary Unemployment Compensation Act allowing for extension of duration in the recession emergency.

Wis 46% only 5 other States are high

Who Should Be Covered?

About thirteen million workers are not covered by unemployment insurance. These are distributed between small firms (1.9 million), non-profit firms (1.3 million), farm workers (1.9 million), state and local government employees (5.3 million), and domestics (2.4 million).

Variations in coverage as between states are wide. For example, while fifteen states cover small firms with one or more employees, twenty-seven include only firms with four or more employees, the minimum required by federal law.

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1. The "exhaustion ratio" for each state is in Chart B in the Appendix.

Economic Purposes of Wage Insurance

The anti-cyclical role for unemployment insurance has been emphasized by economists. If payments were to replace a significant portion of wage loss during recession, they would serve to stabilize personal income and consumer demand.

According to Arthur F. Burns, former Economic Advisor to President Eisenhower, "...it would be wise not to lose time in extending recent efforts to strengthen the resistance of our economy to such recessional tendencies as may develop from time to time...perhaps the most constructive immediate step, would be to improve our unemployment insurance programs. Unemployment insurance is the nation's first line of defense against depression..."[1]

The economic usefulness of this program is curtailed by the shortcomings in coverage and benefits. Of 4.15 million now unemployed, less than 2.3 million are drawing benefits; even in the height of the 1958 recession less than two out of three unemployed were insured. And those drawing benefits receive on the average only one-third of their lost wages. The combined results of low benefits and insufficient coverage is that unemployment insurance replaces only about $1 for every $5 of wage loss due to unemployment. The demand for consumer goods and services receives little support from jobless payments.

In the words of the late Sumner Slichter: "One of the surprising things to me as an economist is that American businessmen have not taken the lead in insisting that Congress protect their markets and protect their investments by giving the country a truly adequate system of unemployment insurance."[2]

In their recent study Lessons of the Recessions, the Woytinskys argue that temporary extensions as in the Temporary Unemployment Compensation Act of 1958 do not enhance this stabilizing role as would permanent improvement through federal benefit standards and extended coverage:

> "We agree wholeheartedly that unemployment insurance requires permanent improvement, not only with a view to mitigating individual hardships but also with the objective of increasing the resistance of our economy to recession. Its extension through H.R. 12065 came too late and, while bringing aid to

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1. Burns, Prosperity Without Inflation (New York: Fordham Univ. Press, 1957), p. 70.
2. Sumner H. Slichter, Monthly Labor Review, Vol. 78, No. 10, (October 1955), p. 1118

some workers' families, increased the disparity between the state programs. The problem requires establishment of minimum federal standards relating to the amount and duration of unemployment benefits within a framework of a system covering all forms of work for wages and salaries."[1]

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1. W.S. and E.S. Woytinsky, Lessons of the Recessions, (Washington: Public Affairs Institute, 1959), p. 30

LEGISLATIVE HISTORY OF FEDERAL STANDARDS

Members of Congress have been concerned with the benefit levels in state laws almost from the beginning. Establishment of uniform federal standards with or without a national reinsurance fund has been proposed several times.

A Senate Committee in 1939 urged that no unemployment compensation law should be recognized for tax offset purposes unless it met prescribed minimum standards.[1]

Representative John W. McCormack in 1939[2] and again in 1940[3] introduced bills providing minimum federal benefit standards, as did Senator Murray in 1940.[4] The Social Security Board also recommended federal standards and a national reinsurance system.

In 1943 and again in 1945, the Wagner-Murray-Dingell Bill[5] was introduced. It proposed a comprehensive social security program including a national unemployment compensation system to replace the existing federal-state system. The Wagner-Murray-Dingell Bill mirrored dissatisfaction with the federal-state system and the failure of efforts to add federal standards.

However, the only federal programs ever enacted for unemployment insurance is the Railroad Unemployment Insurance Act of 1938. The Servicemen's Readjustment Act of 1944, the Federal Employees Unemployed Insurance Act of 1954, the Veterans' Readjustment Assistance Act of 1952 and the Ex-Servicemen's Unemployment Compensation Act of 1958 have provided for state administration, but in the Servicemen's Readjustment Act benefit levels were stipulated by Congress.

In 1949, the "Report of the Advisory Council on Social Security" was widely discussed. It intended to again focus attention on the shortcomings of unemployment insurance, and the way benefit financing serves as a barrier to liberalizing the benefit levels.

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1. S.2203, 76th Congress, 1st Session (1939), recommended by the Byrnes Committee.
2. Representative McCormack proposed federal standards as amendments to H.R. 5482 (76th Congress, 1st Session, 1939).
3. H.R. 7762,76th Congress, 3rd Session, (1940).
4. S.3365, 76th Congress, 3rd Session, (1940)
5. S.1161, 78th Congress, 1st Session (1943), and S. 1050, 79th Congress 1st Session (1945).

Beginning in 1954, President Eisenhower adopted a policy of proclaiming the responsibility of state legislatures for improving benefits. His recommendation, reiterated each year, is higher maximums and extension of the half-of-lost wages formula to the great majority of covered employees, and a uniform 26 weeks duration.

In 1954, a new attempt was made in the House of Representatives to establish federal benefit standards. Representative Forand advocated a minimum standard of weekly benefits at least 50% of lost wages up to a maximum amount set at two-thirds of each state's average weekly wage, payable for 26 weeks for claimants unable to find a job in the meantime.

These proposals failed, but Congress extended coverage to firms with four or more employees by amending the Unemployment Tax Act. This remains to date the only substantial improvement in the unemployment insurance program since its inauguration.

In 1958, Senator Kennedy and Congressman McCarthy introduced bills to further extended coverage, to establish minimum standards for benefits, eligibility and disqualifications, and to provide a system of reinsurance. The McCarthy Bill was not reported out of the Ways and Means Committee, which recommended only a temporary extension. The Herlong substitute for this became the Temporary Unemployment Compensation Act of 1958. In the Senate, efforts to permanently improve unemployment insurance by providing federal benefit standards were rejected.

A similar bill but without standards on disqualifications was introduced in the current session by Mr. Karsten and Mr. Machrowicz on January 21, 1959, with one hundred and thirty Congressmen declaring their support. This bill is H.R. 3547, now in the Ways and Means Committee, which held hearings in April 1959.

The companion bill in the Senate is S.791 introduced by Senators Kennedy, Case and McCarthy, with the announced support of thirty other senators.

PROVISIONS OF THE FEDERAL MINIMUM STANDARDS BILL

H.R. 3547 (Mr. Karsten) and H.R. 3548 (Mr. Machrowicz) expresses the intent to provide certain minimum levels of adequacy to which the various state unemployment insurance programs must conform and to provide certain reinsurance arrangements for states with high rates of unemployment.

Section 2 provides certain standards dealing with benefits to be provided by the state plans, duration of these benefits, and eligibility for the benefits. With respect to benefit levels, it is required that each individual's primary benefit shall be not less than 50% of his weekly wages with a maximum which is not less than 66-2/3% of the state's average weekly wage. The unemployed worker must receive 50% of his own wage or 2/3rds of the average weekly wage, whichever amount is lower.

It might be noted that what is called a maximum benefit in the unemployment insurance statutes might better be called a ceiling on the benefits. Generally speaking, individuals getting the maximum benefit will be getting less than 50% of weekly wages because of this ceiling provision. The bill would establish a minimum below which the state may not set its ceiling provision. To illustrate the effect of this requirement, assume that the average weekly wage in the state is $90. Two-thirds of this would be $60. The bill requires that the state provide benefits of 50% of weekly wages for all employees whose weekly wages were less than $120. Any employee whose weekly wages were above $120 could be cut off by a maximum payment provision of $60. A state would, of course, be entitled to have a higher maximum than this or to pay employees more than 50% of weekly wages.

The bill requires that benefits shall be payable to all unemployed insured individuals for a period of not less than 39 weeks provided that they meet all of the eligibility requirements under the state law.

The bill provides that no wage qualifying requirement in the state law can be more restrictive than base year earnings of 30 times the weekly benefit amount or 1½ times the high quarter wages, or 20 weeks' employment. The three alternatives are keyed to the particular type of qualifying test provided under the state law.

State benefits cannot be denied or reduced because of the receipt of payments under a plan established to supplement unemployment benefits under the law.

Section 3 of the bill provides that any employer of one or more individuals instead of employers of four or more, as under present law, will be subject to the federal unemployment tax. Section 3 also provides certain definitions necessary to carry out the benefit standards.

Section 4 amends the present federal statute dealing with experience rating credits to provide that the state, in lieu of a system of experience ratings, may provide a uniform credit to all employers in a state.

Section 7 provides for reinsurance grants to the states whose reserves reach a precariously low level. The amount of such grant will be limited to three-quarters of the amount by which the benefits payable under the state law exceed 2% of the state taxable payroll. In other words, only where unemployment benefits are sufficiently large, that they could not be financed through a 2% contribution rate at the current employment level, will the state receive any federal grant. To the extent that the cost of the state's program exceeds 2%, it would still be required to finance one-fourth of the cost of the higher benefits out of state funds. To prevent a state from permitting its fund to become depleted in order that it may receive a federal grant, the bill requires that to be eligible for the federal grant that whenever a state's fund drops below certain minimum requirements, the state must impose a minimum tax rate on employers of at least 1.2%.

Sections 5 and 6 deal principally with technical matters conforming to the other substantive changes. Section 5 particularly provides that the reinsurance grants will be paid out of the federal unemployment account.

Section 8 provides that the provisions extending coverage and establishing benefit standards which must be met by state laws shall be effective as of July 1, 1960. This would have to be extended now to some later date in order to give the states sufficient time to make the necessary statutory changes in their state unemployment compensation laws before the standards become effective.

OTHER UNEMPLOYMENT COMPENSATION BILLS

About 54 bills were introduced which are virtually identical with H.R. 3547 and H.R. 3548.

Two bills, H.R. 175 (Mr. Lane) and H.R. 2474 (Mr. Donohue) are broadly similar to the bills introduced by Mr. Karsten and Mr. Machrowicz in providing standards for state unemployment insurance systems. These bills go further in particular details, providing for inclusion of certain contract services in the definition of employment and providing certain limitations on the ability of the states to disqualify claimants.

Five bills, H.R. 71 (Mr. Celler), H.R. 95 (Mr. Farbstein), H.R. 407 (Mr. Perkins), H.R. 454 (Mr. Zelenko), and H.R. 2394 (Mr. Dollinger) would provide for payment of supplementary unemployment benefits in depressed areas. These would be federally financed payments. H.R. 2475 (Mr. Donohue) would provide for supplementary unemployment benefits in certain areas defined as partly affected by competition with imported goods.

Subsequent to the Ways and Means Committee hearings in April 1959, Mr. Mills and Mr. Simpson introduced H.R. 7177 and H.R. 7178. These measures provide for increasing the federal tax from 3 to 3.1% of the tax base, but further provide that for tax offset purposes the federal tax would remain at 3.0%. This means that the federal portion of the unemployment tax would go from .3 to .4%. The additional revenue would cover increased costs of state and federal administration and provide for replenishing the loan fund. The bill also increases the size of the loan fund from $200 million to $550 million or .4% of total wages in covered employment. It provides for extended coverage to federal instrumentalities, fraternal societies, etc., and extends federal-state unemployment compensation to Puerto Rico. This bill would have no effect on state benefit financing or on benefit levels.

QUESTIONS AND ANSWERS ON THE FEDERAL MINIMUM STANDARDS BILL

Benefit levels in unemployment insurance are now set by each state. Would federal benefit standards be an unwarranted exercise of power as against the rights of states?

No, because the authority of the federal government to set standards was decided long ago in Helvering vs. Davis by the Supreme Court in 1937. The tax offset device was a kind of compulsion to force states to enact unemployment compensation laws. Individually they had failed to do so fearing that payroll taxes would put their employers at a competitive disadvantage. Justice Cardoza's decision cited the national concern with extended unemployment, the responsibility of Congress to promote the general welfare, and the ineffectiveness of separate states in dealing with the problem. The existing standards or requirements in the federal law were upheld, and the federal-state system upheld. Benefit and eligibility standards would simply add to those standards now in the federal law to raise benefits according to the original intent of Congress, and to restore some uniformity in benefits and program costs.

The economy of each state is different and wage levels vary greatly. Is it not inappropriate for the Federal Government to insist on uniform benefit standards?

No, because the formula proposed takes variations in wage levels into account. The proposed standard would not set the same dollar maximum for each state. It would require that the maximum be set at 66-2/3% of the state's average weekly wage.

Similarly, the Bill proposes three minimum standard wage qualifying requirements to fit the three basic approaches to eligibility now in the state laws.

As for the duration standard, this is not related to the wage level of a state but rather to the contingency of length of unemployment. Since each state will continue to administer the "able and available for suitable work" requirements, a minimum standard of 39 weeks simply specifies the longest length of time to which every claimant must be entitled. It is the minimum federal standard, but is also an outside limit. The actual duration still remains subject to the claimants search for work, as required and administered under state law.

Would not extending coverage to firms with one or more employees add excessive administrative burden, both for the employer and the administering agency?

This was the original objection to including firms with fewer than eight employees, but the use of OASDI reporting forms for unemployment insurance and advances in record keeping have greatly simplified procedures both for employers and for the states. Nineteen states have gone beyond the four or more requirement now in the federal law and sixteen states cover firms with only one employee.

Does this bill abolish experience rating?

No, the federal law now requires experience rating. H.R. 3547 would leave it up to the state to determine its own financing rather than making experience rating compulsory.

Is this the first step toward federalizing unemployment compensation?

No, minimum benefit standards will make the present federal state program work more effectively. Federalizing unemployment insurance has not been an active issue since the Wagner-Murray-Dingell bills. (See p. 10)

There is evidence that several state funds are insolvent, or would be in another recession. Won't federal benefit standards precipitate their going broke?

State funds that reached bottom in the last recession did so because their existing benefit levels were inadequately financed, despite the fact that their tax resources were only partially used. To the extent that states are in financial difficulty, it is because they have offered low tax rates and under-financed their present system. The dozen states that must now improve their financing have, in each instance except Alaska and Rhode Island, maintained a tax base that is two-thirds or less of the total payrolls (total payrolls were the original tax base in unemployment insurance.) Adequate financing to assure solvency is easily determined actuarially and statistically. Inadequate financing is a problem of political responsibility, separate and apart from adequacy of benefit levels; poor unemployment insurance programs are being under-financed as well as better ones.

A more difficult problem is the fact that inadequate financing and depleted reserves are used as justification for holding down benefits. By setting minimum federal benefit standards, each state would be given a definite objective for its financial decisions; financing would be adjusted to benefit cost instead of holding down benefits to low tax income.

The standards recommended can in every state be financed by less than the standard 2.7% of payrolls. However, in cases where high incidence of unemployment rather than under-financing causes a depleted reserve, H.R. 3547 provides reinsurance grants from a federal fund that is financed from the federal tax on which there is no offset.

Isn't the recession over? What is all the shouting for?

There are still 3 million unemployed workers drawing inadequate benefits each month. There is still a higher rate of unemployment after this recession than there was after the 1954 recession, which in turn was higher than after the 1949 recession.

With 4 million unemployed, one out of every five of the persons unemployed has been out of work for at least 15 weeks, and one out of eight has been unemployed for 27 weeks or more.

Predictions for 1960 show rapid change in the composition of the work force, which means temporary unemployment for many. "Factory workers will decline absolutely as well as proportionately," according to Ewan Clague, Director of the Bureau of Labor Statistics.

Most important, permanent improvement in unemployment compensation now is simple good sense in advance of the next recession, which, according to William F. Butler, Vice President of the Chase National Bank, is around the corner: "In 1961, general business may move into a virtual plateau, preceding another general down-turn. . . watch with increasing vigilance for signs of the next recession as we move through 1960 and into 1961. . ."

Why should employers be asked to support more of the cost of unemployment benefits?

Because their payments for unemployment insurance relative to their payrolls are now running only one-third of their contribution to unemployment insurance twenty years ago, and because the only alternative for most workers is relief. Last year an estimated 7% of unemployed had applied for public assistance. In 1958, termination of unemployment benefits caused 4,000 families in Pennsylvania to go on relief. In Michigan, 30,000 families went on relief. Other states such as Kentucky, Minnesota and New Jersey had their highest relief loads since before the war. The public is paying in these cases for what employers are not putting into unemployment insurance.

Didn't the states raise their benefits substantially in 1959?

All but three state legislatures met in 1959. Only twenty-three states raised their maximum benefit amounts and sixteen lengthened the duration of benefits. Even after the 1959 amendments only one state now provides a maximum benefit over 60% of its average weekly wage, compared with thirty-two such states in 1939. The sixteen states amending their duration averaged an additional three or four weeks for the average unemployed worker.

The 1959 amendments have not brought benefit levels substantially closer to President Eisenhower's recommendations. Only Hawaii meets his standard for amount and duration.

Who is for federal benefit standards?

Those who have spoken for federal action are: 1. The governors of fifteen states representing a majority of workers covered under unemployment compensation. 2. Private and governmental groups, such as the Rockefeller Brothers Fund, the Federal Advisory Council on Employment Security, the New York State Advisory Council on Unemployment and Unemployment Insurance, etc. 3. The AFL-CIO and its affiliated national unions. 4. Public service organizations such as the National Consumers League, the American Public Welfare Association, and the National Association of Social Workers. 5. Outstanding economists who have studied either the business cycle or the American social security system.

Who is against benefit standards?

1. National employer groups such as the Chamber of Commerce, the American Retail Federation, the American Hotel Association, and the National Association of Manufacturers. 2. Unemployment Benefit Advisors, Inc., a Washington lobby specializing in unemployment compensation and supported by such companies as General Motors, Allis-Chalmers, U.S. Steel, Chrysler Corporation, Socony-Mobile Oil Company, Goodyear Tire and Rubber, etc. 3. The Interstate Conference of Employment Security Agencies, and 4. the Eisenhower Administration.

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[post 1956]

Supplementation of Unemployment Benefits

FULL TEXT OF
RULINGS, STATUTES, CASES
With an Introductory Summary

Industrial Union Department
AFL-CIO

CHART D

Percentage Distribution of Active Accounts Eligible for Rate Modification, by Contribution Rate, **(% taxable payroll)**, and Type of Experience-Rating Plan, Rate Years Beginning in 1958

Type of plan and State 1/	Total number of active accounts 2/	Active accounts eligible for rate modification: Number	Percent of all active accounts	Percentage distribution by employer contribution rate: Below standard rate: 0.0	0.1	0.2-0.5	0.6-0.9	1.0-1.8	1.9-2.6	At standard rate: 2.7	Above standard rate: 2.75-4.5
Total, 48 States 3/	1,963,536	1,444,513	73.6	5.6	11.5	17.3	16.5	19.6	12.2	13.4	4.0
Reserve-ratio plan	1,234,878	901,612	73.0	8.6	9.1	13.3	15.7	21.2	11.4	18.1	2.6
Arizona 4/ 5/	12,965	8,360	64.5	--	--	30.3	24.1	34.2	4.7	6.7	--
Arkansas 5/	31,049	21,599	69.6	--	54.7	6.9	8.0	15.7	8.1	6.6	--
California	272,930	173,050	63.4	22.4	4.7	12.5	14.0	19.4	8.4	18.7	--
Colorado 5/	14,180	6,592	46.5	92.3	--	4.1	--	--	--	3.6	--
Dist. of Col.	18,380	14,544	79.1	--	74.5	4.8	--	7.9	1.5	11.3	--
Georgia 4/	26,464	24,617	93.0	--	--	21.2	6.3	25.5	38.4	8.6	--
Hawaii 5/	8,835	7,839	88.7	51.7	--	10.8	8.1	9.1	2.7	17.6	--
Idaho	13,701	9,601	70.1	--	--	42.3	10.9	22.8	19.1	4.9	--
Indiana 5/	32,454	16,189	49.9	--	45.4	20.4	--	21.1	4.3	8.8	--
Iowa 5/	20,777	10,147	48.8	50.2	--	34.9	6.6	--	--	8.4	--
Kansas	16,593	14,556	87.7	5.5	1.2	20.2	25.6	39.5	2.6	5.5	--
Kentucky 5/	20,601	16,906	82.1	20.2	--	--	17.0	10.9	--	40.0	11.9
Louisiana	23,794	17,287	72.7	--	29.8	21.4	16.9	11.6	2.6	17.8	--
Maine 5/	8,322	4,116	49.5	--	--	22.9	21.3	38.2	5.8	11.8	--
Massachusetts	104,389	96,834	92.8	--	--	27.8	10.7	17.9	11.9	31.7	--
Michigan 5/	53,349	51,757	97.0	--	.5	.7	22.0	28.4	17.3	18.5	12.5
Missouri 5/	33,967	17,111	50.4	27.9	10.8	15.5	15.2	20.6	4.4	5.7	--
Nebraska 5/	11,298	10,396	92.0	--	37.0	22.3	--	26.3	3.4	10.9	--
Nevada	5,960	3,758	63.1	--	8.2	1.6	12.2	41.1	16.0	20.9	--
New Hampshire	6,381	5,584	87.5	--	--	21.5	23.9	13.6	20.7	20.3	--
New Jersey 5/	54,779	40,744	74.4	--	--	14.5	13.8	21.8	10.3	12.2	27.4
New Mexico	14,757	9,806	66.4	--	42.6	12.4	22.3	13.1	2.6	7.0	--
North Carolina 5/	27,317	14,987	54.9	--	--	37.9	14.0	27.1	11.5	5.2	4.3
North Dakota 5/	4,717	4,268	90.5	--	35.7	13.5	14.0	16.2	6.1	14.4	--
Ohio 5/	92,491	70,235	75.9	--	37.3	21.1	15.7	14.9	1.3	9.7	--
Oregon 5/	25,909	15,779	60.9	--	--	--	27.3	33.5	15.1	24.1	--
Pennsylvania 5/	196,155	165,752	84.5	--	--	--	24.9	26.6	21.7	26.8	--
South Carolina 4/ 5/	12,402	7,007	56.5	--	--	35.7	22.0	16.2	8.8	17.3	--
South Dakota 5/	5,024	2,307	45.9	78.3	11.6	4.4	--	--	2.5	3.2	--
Tennessee	21,414	10,947	51.1	--	--	--	32.0	39.5	9.5	8.4	10.6
West Virginia 5/	12,184	5,813	47.7	42.3	--	13.5	10.0	13.4	5.5	15.3	--
Wisconsin 5/	31,340	23,124	73.8	45.6	--	15.7	--	21.9	8.5	--	8.3
Benefit-wage ratio plan	222,141	199,760	89.9	--	27.6	41.6	9.7	10.6	3.7	3.5	3.2
Alabama 4/	19,908	18,033	90.6	--	--	65.1	10.7	15.2	4.1	4.9	--
Delaware	8,642	6,086	70.4	--	66.4	15.6	7.0	6.4	2.3	.1	2.2
Illinois	84,437	72,938	86.4	--	--	62.9	10.3	13.2	4.3	.7	8.6
Oklahoma	17,305	15,975	92.3	--	--	57.3	14.0	9.0	7.3	12.5	--
Texas 4/	66,315	63.089	95.1	--	53.9	18.6	10.1	9.2	3.2	5.0	--
Virginia	25,534	23,639	92.6	--	72.2	15.6	3.9	5.0	1.4	1.9	--
Benefit-ratio plan	137,192	115,785	84.4	2.3	25.0	23.2	28.7	6.9	2.5	9.8	1.6
Florida 4/	38,987	35,128	90.1	--	--	73.0	10.2	7.7	2.6	1.4	5.2
Maryland	46,017	34,328	74.6	--	--	--	76.6	10.5	3.6	9.4	--
Minnesota 5/	39,600	36,773	92.9	--	77.5	2.0	.8	1.2	1.0	17.5	--
Vermont	3,777	3,341	88.5	--	--	--	66.6	18.4	6.2	8.8	--
Wyoming	8,811	6,215	70.5	43.7	7.1	7.9	13.0	10.1	3.7	14.4	--
Pay-roll variation plan 3/	27,975	22,220	79.4	--	--	--	--	90.2	8.5	1.4	--
Mississippi	12,033	10,328	85.8	--	--	--	--	89.1	10.3	.6	--
Rhode Island 3/	--	--	--	--	--	--	--	--	--	--	--
Utah	15,942	11,892	74.6	--	--	--	--	91.1	6.9	2.0	--
Washington 3/	--	--	--	--	--	--	--	--	--	--	--
Compensable-separation plan	30,036	26,739	89.0	--	--	55.1	5.2	30.5	--	9.2	--
Connecticut	30,036	26,739	89.0	--	--	55.1	5.2	30.5	--	9.2	--
Pay-roll variation and reserve ratio	295,040	166,762	56.5	--	--	--	24.3	19.6	36.1	4.3	15.8
New York	295,040	166,762	56.5	--	--	--	24.3	19.6	36.1	4.3	15.8
Pay-roll variation and benefit ratio plan	16,274	11,635	71.5	--	--	39.7	19.5	16.6	2.6	21.6	--
Montana	16,274	11,635	71.5	--	--	39.7	19.5	16.6	2.6	21.6	--

1/ Classified by type of plan in effect at end of 1958.
2/ All rated and unrated accounts; excludes accounts newly subject after State cut-off dates for preparation of reports.
3/ National totals and totals for pay-roll variation plan exclude data for Rhode Island and Washington which did not assign employers any reduced rates for 1958 rate year. National totals also exclude data for Alaska, which repealed experience rating provision as of January 1, 1955.
4/ For Alabama, Arizona, Florida, Georiga, South Carolina, and Texas, data exclude newly qualified employers assigned reduced rates after computation date.
5/ Includes effects of voluntary contributions made toward credit for 1958 rates.

Source: The Labor Market and Employment Security, November 1959, B.E.S.

C

BES No.U-70(R)

Unemployment Comp.

ADEQUACY OF BENEFITS UNDER UNEMPLOYMENT INSURANCE

A STAFF REPORT PREPARED FOR THE STEERING COMMITTEE OF THE FEDERAL ADVISORY COUNCIL

OCTOBER 1958

U. S. DEPARTMENT OF LABOR
James P. Mitchell, Secretary
BUREAU OF EMPLOYMENT SECURITY
Robert C. Goodwin, Director
Unemployment Insurance Service
Washington 25, D. C.

AFL-CIO

GEORGE MEANY
President

WILLIAM F. SCHNITZLER
Secretary-Treasurer

Collective Bargaining REPORT

DECEMBER 1958
Vol 3, No. 12

SUPPLEMENTAL UNEMPLOYMENT BENEFITS

The economic recession of 1958 brought the first extensive use of supplemental unemployment benefit (SUB) plans negotiated in recent years—and the experience has demonstrated the value of such plans.

The availability of SUB payments has eased the financial strain of unemployment for many laid-off workers. And, by helping to maintain laid-off workers' income, the SUB plans also have helped soften the impact of unemployment on some hard-hit communities.

Prevalence of SUB Plans

SUB plans vary considerably, but typically they call for (a) regular fixed company contributions (b) to a trust fund which (c) pays benefits to laid-off workers to supplement their state unemployment compensation.

The idea of plans to provide greater employment stability and/or special financial aid for laid-off workers is not new. Employment-guarantee plans and plans for severance pay for workers dropped from the payroll have been written into some union contracts for many years. But SUB plans—the setting aside of money by employers in advance to provide unemployment benefits to maintain workers' income while jobless—are relatively new.

And SUB plans have been spread in a short period of time to cover a relatively large number of workers. In all, well over 2 million workers are now covered by some form of SUB plan.

Index for 1958

An Index to the subjects dealt with in the issues of the AFL-CIO Collective Bargaining Report during the year 1958 is presented on page 79.

The first major SUB plans were negotiated by the United Auto Workers at leading auto companies in 1955. Other plans have since been negotiated in a number of different industries, particularly several which have been troubled for years with the problem of recurring unemployment.

In addition to the auto industry, other industries in which large groups are under SUB plans include steel, aluminum, rubber, agricultural equipment and can making. (Major features of two prominent plans, in the auto and steel industries, are outlined on page 77.)

The largest nonmanufacturing group covered are maritime workers under the National Maritime Union plan

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Collective Bargaining REPORT

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with Atlantic and Gulf Coast ship operators (see page 78 for a summary of this plan).

Experience During Recession

Because the recession in 1958 brought a high rate of unemployment, most of the SUB plans have been put to heavy use more quickly and more extensively than had been anticipated as likely when they were negotiated.

Indeed, because the 1958 recession brought layoffs to many workers who thought their jobs were layoff-proof and demonstrated that large-scale unemployment is not necessarily a nonrecurring thing of the past, it has marshalled increased support for the aid offered by SUB plans.

Despite the difference in individual plans and layoff situations, certain other general facts are apparent.

(1) The plans have worked fairly smoothly, with not many hitches or grievances, considering the large numbers of laid-off workers involved and the newness of the plans.

(2) Reaction to the operation of the plans has been highly favorable. Not only the unions and laid-off members, but generally employers as well, have been greatly pleased with the beneficial effects of the SUB payments to idled workers. And those parts of the public which deal with laid-off workers—merchants, banks, welfare officials and civic leaders—have also praised the aid provided by SUB plans.

(3) The large volume of unemployment has placed a heavy drain on SUB funds. Some plans, particularly the newest plans and those with the heaviest layoff loads, have had to cut back benefits substantially under formulas which reduce benefit amounts and/or duration when the plan's finances fall below a specified point.

But most plans had accumulated sufficient funds to enable them to weather this recession without much cutback in benefits. Their experience has shown that employer contributions as modest as 5 cents an hour can finance a substantial amount of unemployment aid.

(4) The existing plans are not a completely adequate answer to the economic problems of layoff. A recurrent criticism has been that "they help, but not enough." Benefit amounts and eligibility problems are the shortcomings most often cited.

Amount of Benefits

How large are the SUB benefits?

Typically, the SUB plans pay, as a supplement to state unemployment compensation benefits and other earnings, the amount needed to raise the laid-off worker's income to 65 percent of his normal weekly straight-time take-home pay (that is, pay after taxes). A maximum of a specified number of dollars is usually placed on the SUB payment, however, so that in the case of some high-paid workers the payment may not quite raise income to the 65-percent mark.

On the average, the 65 percent formula has meant weekly benefit payments in 1958 of $13 to $25. (This supplements state unemployment benefits which in early 1958 averaged only $30 a week.)

The smaller SUB payments were largely in states where unemployment compensation is relatively high so that the supplemental payments required to reach the 65-percent level were smaller.

Exactly how much the typical SUB plan pays the individual worker varies with a number of factors, principally four.

(1) *The level of unemployment benefits of the particular state.* In a state with relatively low benefits, the supplemental amount paid to reach 65 percent of take-home straight-time pay will be larger than in a state with higher benefits.

(2) *The worker's earnings level.* A worker with high earnings will usually require a larger supplemental payment to reach 65 percent of his normal take-home pay than will a worker with lower pay.

(3) *Number of dependents.* Workers with more dependents often get larger benefits. More dependents mean less is paid in taxes, so that 65 percent of after-tax pay is more for a many-dependent worker than for a worker at the same wage rate who has fewer dependents. Also, some plans provide on top of their maximum payment an additional allowance for each dependent. (The steel plans have a maximum supplemental payment of $25 a week plus $2 for each dependent up to four.)

(4) *Financial status of the SUB fund.* Some plans, most notably the steel plans, provide for a reduction in benefits when their finances fall below a certain level. The benefit is cut by a specified percentage according to how much funds remain available. This practice has been adopted to assure that all the money is not drained off for those laid off first, that some funds remain for benefits if and when high-seniority workers are laid off.

Here's how a typical SUB payment is calculated. Assume that a laid-off worker normally earns $80 a week. If he has 3 dependents, his take-home pay after taxes would be about $73.85. The plan assures him 65 percent of this figure ($48.72).

If this worker's state unemployment compensation benefit is $30 a week, the plan would pay the difference between the $30 and the 65 percent of his normal after-tax pay; this would be $18.72.

If the state benefit was larger, say $35, the plan would pay this worker less, in this case $13.72, which is the

(Continued on page 76)

EXPERIENCE UNDER STEELWORKERS' SUB PLANS

A report on the operation of supplemental unemployment benefit plans negotiated by the United Steelworkers was presented to the union's convention in September 1958.

The report noted that more than 200,000 of the union's members had suffered layoffs in the 1958 recession and that an equal number had their income reduced as a result of short-time work. The SUB plans, it stated, "have been of tremendous assistance to our members in this period of heavy layoffs and long unemployment."

Among the specific highlights of the report:

(1) *Number receiving benefits*—No overall figures are available on the number of members who have received SUB benefits, but a survey in May 1958, the month of heaviest unemployment among the union's members during the recession, found that some 83,000 members were then collecting benefits from SUB plans negotiated by the Steelworkers.

The number for the month would have been larger, probably over 100,000, if it had been possible to pay benefits in Ohio and Indiana, where the union has a large number of members but where legal obstacles have prevented SUB plans from operating.

(2) *Total benefits*—In the 9-month period from September 1957 through May 1958, nearly $45 million in benefits were paid out by the union's SUB plans. An estimated $12½ million more was due to laid-off members in Ohio and almost $1½ million more in Indiana, but payments have been held up by legal difficulties in those states.

(3) *Average benefits*—The average weekly SUB payment under the Steelworkers' plans in April, May and June 1958 was between $22 and $24 a week.

This was a considerable supplement to state unemployment compensation, for it was roughly three-quarters as much as the average amount received from state compensation.

(4) *Status of SUB funds*—The plans provide that when their finances fall below certain levels, benefits are reduced. (This is a means of assuring that not all the funds will be spent early in a layoff, with none left when layoffs begin to affect long-service workers.)

The large number of layoffs this year required a large volume of payments; at the same time, some of the plans had not been in existence long enough to accumulate large reserves, and the decline in employment has meant a decline in income to the funds. The result has been a depletion of funds which has required the reduction in benefits in some plans.

Nevertheless, as of August 1958, by which time employment of the union's members was starting to pick up, there were still substantial sums available under most plans and a majority of laid-off workers were still drawing full benefits. Another 30 percent were getting between 60 and 75 percent of the full benefit.

amount needed on top of the $35 to bring the worker's combined income from the state benefit and SUB to $48.72, his 65-percent-of-take-home-pay level.

Total Benefits Paid

Precise information on total benefits paid out by all SUB plans is not available, but the two unions with the largest number of covered members have provided some broad data.

The Auto Workers report that the SUB plans at the three largest auto companies (General Motors, Ford and Chrysler) paid out $33.7 million to laid-off members in the first 8 months of 1958.

The Steelworkers, reporting on all their plans combined, estimated that a total of $45 million was paid to their members in the 9 months since September 1957. In the full year September 1957-58, the plan at United States Steel alone paid out $16 million.

Overall, when all SUB plans are taken into account, it is estimated that during the worst six months of the 1958 recession, SUB payments were running at a monthly rate of $10 to $12 million.

Although this is relatively small compared to aggregate state unemployment compensation payments across the nation, the SUB payments carried special value as an aid in limiting and combatting the economic recession because they were concentrated in several of the areas and industries, auto and steel especially, which were hardest hit by the recession.

Value to Laid-Off Workers

The total number of workers who received SUB payments in 1958 is estimated conservatively as well over 300,000.

The SUB payments may not have solved for these workers the economic problems of layoff but, as some have said, they made these problems "more bearable."

State unemployment compensation benefits alone are inadequate to sustain a laid-off worker and his family on a reasonable basis. With few exceptions, they are so low (average of $30 a week in early 1958), that a laid-off worker has been forced to slash drastically his level of living and usually also to default on financial obligations and/or drain savings or go into debt.

The supplemental payments from SUB plans have made a significant difference. During unemployment, when every dollar counts so heavily, the extra $15 or $20 a week in SUB payments have appreciably reduced financial difficulties and have provided badly needed support for workers' living standards.

Broadly, SUB payments have enabled the average worker to maintain his purchasing power at about two-thirds of normal take-home pay instead of the one-third to one-half possible from reliance solely on state unemployment benefits.

Value to the Community

This easing of financial strains on laid-off workers of course also softens the effect of unemployment on a community.

In a number of cities in which mass layoffs or a shutdown of a plant affected a large part of the local work force, the presence of supplemental unemployment benefits noticeably eased the blow on the community as a whole, particularly on local businessmen who depend on worker spending for the success of their business.

One of the more notable examples has been that of Donora, Pa., a city of some 12,000 people, where the shutdown of a zinc plant late in 1957 resulted in unemployment for more than 450 workers, at the same time that some 700 more workers were being laid off at another major plant, a wire plant, in the same town.

Both plants were subsidiaries of the United States Steel Corp. and the workers were covered by the SUB plan negotiated by the United Steelworkers. The SUB payments cushioned the community problems created by the unemployment.

The *Wall Street Journal*, the prominent business newspaper, reported specially on this experience in Donora. It summarized the moderating effects of SUB on the town's recession by stating:

"Donora thus far has avoided the depression that normally follows such [large employment] cutbacks. In past periods of unemployment here, laid-off workers slashed all spending, drew down their savings, often were forced to default on their debts. Today a different pattern is emerging.

"Reduced income and uncertainty about future employment unquestionably are cutting into retail sales, but the decline is not nearly as sharp as in comparable past periods of unemployment. . . .

"Check merchants along hilly McKean avenue, the gaily decorated main street, and talk with bankers, welfare workers, union officials and laid-off mill hands. Do that and you keep coming up with one big word spelled SUB."

The article also noted specifically that savings bank balances had held up instead of being drawn on heavily as in earlier layoff periods, that there had been little default

(Continued on page 78)

Summary of Major Features of Two Supplemental Unemployment Benefit Plans

United Auto Workers and Ford Motor Company[1]

This plan, the first major SUB plan, was originally negotiated in mid-1955 and was revised in negotiations in 1958. It is effective until 1961.

Financing—The company pays *5 cents an hour* to a trust fund. The company contributions stop when the fund reaches a specified maximum and resume whenever the fund falls below the maximum. (The fund maximum is $393 per worker, but is subject to adjustment downward if average benefits paid out are smaller than $20 a week.)

Eligibility for Benefits—A laid-off worker is eligible for benefits if (1) he has at least *1 year's seniority*, (2) the layoff is not due to specified reasons; (3) he qualifies for and receives unemployment compensation (unless failure to receive it is due to certain reasons specified in the plan), and (4) he meets specified other qualifications.

A worker is also eligible for benefits in a short workweek in which his earnings are less than 65 percent of his normal straight-time take-home pay.

Amount of Benefits—The fund pays the difference between state unemployment compensation (and other earnings) and 65 percent of weekly after-tax straight-time pay.

Maximum benefit payment is $30 a week.

Duration of Benefits—The number of weeks of benefits a worker can draw depends on the number of "credits" he has accumulated (credits are accumulated for each week at work), the amount of money in the fund, and his seniority, according to a formula spelled out in the plan.

The maximum duration is 39 weeks. In states where the duration of unemployment compensation is shorter, the state maximum is observed, but in no case is the maximum less than 26 weeks.

[1] Similar plans have been negotiated by the union with General Motors, Chrysler, and other major companies.

United Steelworkers and United States Steel Corporation[2]

This plan, agreed on in 1956, runs until mid-1959.

Financing—The company pays *3 cents an hour* to a trust fund and sets aside on its books an additional *2 cents an hour as a "contingent liability"* which is payable to the fund when needed for benefits. When the money in the fund plus the contingent liability reach a specified maximum (an average of about $200 per worker), company contributions and accrual of the liability stop and they resume when there is a drop below the maximum.

Eligibility for Benefits—A laid-off worker is eligible for benefits if (1) he has at least *2 years' seniority*, (2) the layoff is not due to specified reasons, (3) he qualifies for and receives state unemployment compensation (unless failure to receive it is due to certain reasons specified in the plan), and (4) he meets specified other qualifications. A worker is also eligible for benefits in a short workweek in which his earnings are less than 65 percent of his normal straight-time take-home pay.

Amount of Benefits—The fund pays the difference between state unemployment compensation (and other earnings) and 65 percent of weekly after-tax straight-time pay. The payment is cut by certain percentages, however, if fund reserves fall below certain levels.

Benefit maximum is $25 a week ($47.50 when state compensation runs out), plus $2 more for each dependent up to 4 dependents.

Duration of Benefits—The number of weeks of benefits a worker can draw depends on how many "credits" he has accumulated (credits are accumulated for each week of work), the amount of money in the fund, and his seniority, according to a formula spelled out in the plan. (The formula is similar in principle to that in the Ford-UAW plan, but is quite different in detail. Primarily, when the auto fund runs low, it is the duration of benefits that is reduced (by accelerating the rate at which a worker's credits are cancelled), while the steel funds are conserved by reducing the benefit amount.)

The maximum duration is 52 weeks.

[2] Similar plans have been negotiated by the union with Bethlehem, Republic, and other leading steel companies.

Note: These summaries provide only a general outline. For specific details, the text of the plan should be examined.

on mortgage payments and that installment loans were being met.

Moreover, relatively few laid-off workers had been forced to apply for public relief. The article reported that an official handling relief cases stated that the laid-off workers who had come on the relief rolls were those who had not been eligible for SUB payments.

Incentive to Stabilizing of Employment

Unions of course want steady employment for members rather than merely unemployment benefits. A major objective of most SUB plans has been, not only to make unemployment benefits available, but to encourage management to stabilize production so as to reduce the need for layoffs.

The plans typically provide that management contributions to the SUB fund stop when the fund reaches an agreed-on level. Since layoffs require payments from the fund, and prevent the fund from reaching the point at which company contributions can be halted, there is a financial inducement for management to minimize layoffs it can control.

In a number of cases, unions have reported that the presence of the plan, plus the fact that negotiations leading up to the plan focused attention on the problem of irregular employment, have led management to review production and layoff policies and to take steps to provide greater employment stability and to reduce the need for making SUB payments.

Integration of SUB with State Unemployment Compensation

Originally, one of the questions confronting SUB plans was whether the states would permit supplementation of their unemployment compensation or whether they would regard payments from SUB plans as "wages" which disqualify workers for state unemployment benefits. Almost all states in which this question has been raised have now acted on it.

A total of 38 states, the District of Columbia and Hawaii have now decided, through administrative rulings or legislative action, that supplementation of state unemployment compensation by benefits from private SUB plans is permissible.

Only 4 states (Indiana, Ohio, North Carolina, and Virginia) have ruled that workers may not receive both unemployment compensation and supplemental private-plan payments at the same time. Unions in these states are moving forward with proposals (often joined by companies) to remove the legal barriers.

SUB PLAN IN MARITIME INDUSTRY

One of the major SUB plans which differs considerably from the type represented by auto and steel plans is that of the National Maritime Union and the Atlantic and Gulf Coast shipping operators. This plan covers over 35,000 workers.

Some of its features reflect the special employment problems of maritime workers. Among the main points of difference with other SUB plans are:

(1) The maritime plan covers many different companies rather than an individual company. The contributions of each employer go to a pooled central fund. Each company pays 25 cents per day per worker to the fund.

(2) Benefits are flat amounts instead of being scaled directly to the worker's unemployment compensation and take-home pay level. To be eligible for the plan's benefits, an unemployed worker must apply for state unemployment compensation benefits, although it is not necessary that he qualify for or receive such compensation.

An unemployed worker is paid $25 a week to supplement his state unemployment compensation. If he does not receive state unemployment compensation, the plan pays him $40. (These are the new higher benefit levels negotiated in 1958, upped from the original 1956 benefits of $15 for those getting state compensation and $30 for those not getting it.)

(3) Duration of benefits is geared to the reason the worker is idle and takes account of types of unemployment peculiar to the maritime industry. Benefits are paid for 3 weeks upon unemployment when a ship is laid-up, lost, or sold, or reduces its complement. Benefits for 4 weeks are provided while waiting to reship after vacation.

Benefits are also paid for certain other time off the job: Up to 13 weeks on disability, 2 weeks on involvement in legal proceedings and 2 weeks for care of a disabled spouse, plus 3 to 5 weeks while waiting to rejoin a ship after idleness for one of these reasons.

(4) A benefit maximum is set in terms of total yearly benefits for any worker: The maximum payment in any 365 consecutive days is $240 (not including any of the benefit payments during weeks off for disability.)

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NOTE: This Index covers only issues of the Report in 1958. The Index for issues published in 1957 is in the Dec. 1957 Report, while that for 1956 is in the Report for Dec. 1956.

Statistics for Bargaining

Average hourly earnings of nonsupervisory factory workers rose in November by 3 cents to $2.17.

Average weekly earnings rose by $1.62, both because of the hourly increase and an increase in length of the workweek, to $86.58.

Average weekly hours in manufacturing in November increased by two-tenths of an hour to 39.9 hours.

The cost of living, as measured by the Consumer Price Index, rose two-tenths of a percent, as decreases in food and gas prices were more than offset by rises in other prices.

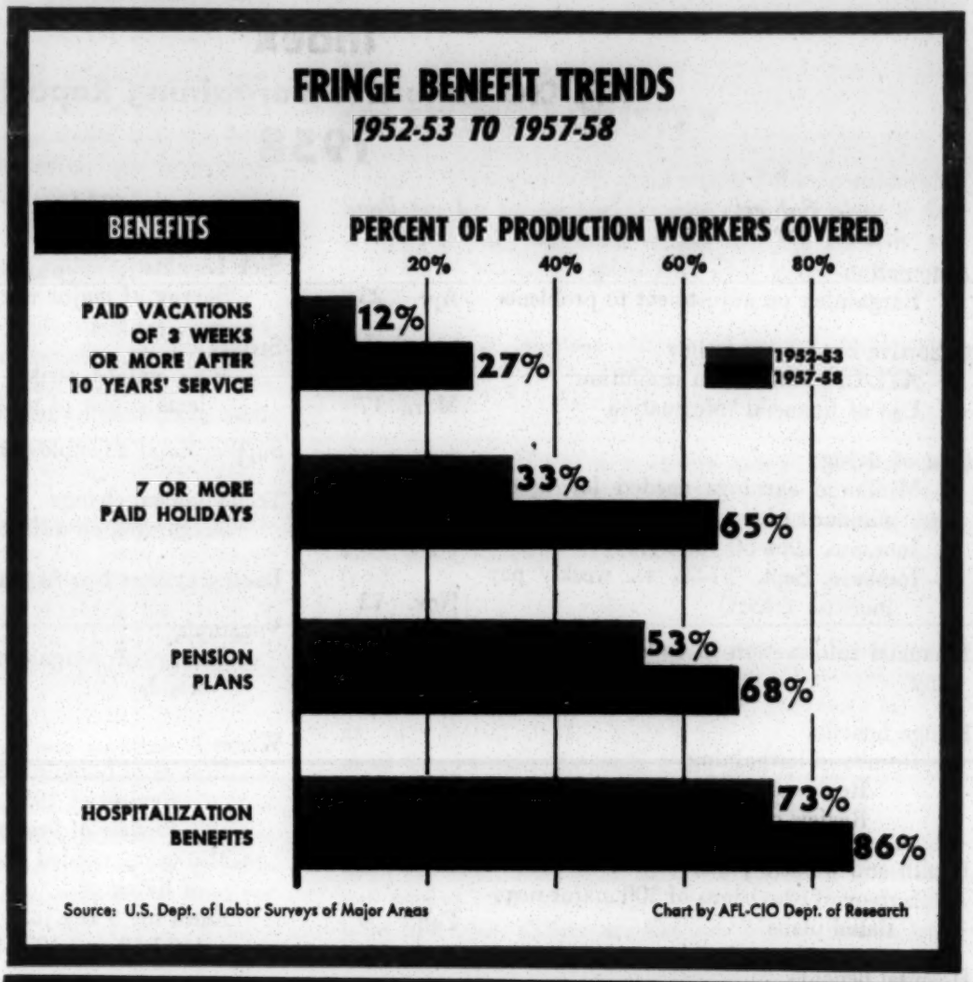
Over the year, from November 1957 to November 1958, the rise in the Index has been 1.9 percent. Over the past two years, the increase has been 5.2 percent.

Employment in November fell by 700,000 to 64.7 million, largely because of a seasonal drop in farm employment.

Manufacturing employment in November was 15.7 million, which is some 850,000 less than a year ago and about 1.5 million lower than in November 1956.

Unemployment remained unchanged at 3.8 million between October and November, a month in which it usually increases. Seasonally adjusted, the rate of unemployment was 5.9 percent in November as against 7.2 percent in October.

Total unemployment was still 600,000 more than in November 1957 and 1,300,000 more than in November 1956.



	November 1958	Change from: Month Ago	Change from: Year Ago
EARNINGS Manufacturing			
[redacted]			
HOURS Manufacturing			
Weekly average	39.9	+ 0.2	+ 0.6
COST OF LIVING			
[redacted]			
EMPLOYMENT			
Employed (millions)	64.7	— 0.7	— 0.2
Unemployed (millions)	3.8	0	+ 0.6

Source: Bureaus of Labor Statistics and Census

FACTS about INTERSTATE CLAIMS for Unemployment Benefits

Read.....

General information about interstate laims -- what your rights are and what ou must do to qualify for benefits -- is riefly given in this leaflet.

Read it carefully and keep it for reerence. It contains important information.

The information given is not to be onstrued as the law of any state. Addiional explanation, if needed, may be obained at the local office where you file n interstate claim.

Prepared and distributed by
Public Relations Section,
Tennessee Department of
Employment Security
Nashville 3, Tenn.

INFORMATION FOR INTERSTATE CLAIMANTS

1. Unemployment workers who come into Tennessee may file a claim for unemployment insurance at any Employment Security office in this state against any state, the District of Columbia, Alaska, Hawaii, or Canada, in which they have previously worked.

2. Tennessee, where you are filing such a claim is acting as the Agent State for the one in which you previously worked. The state against which you file your claim is known as the Liable State.

3. Tennessee, the Agent State, will take your claims and send them to the Liable State. The Liable State will determine whether or not you are entitled to benefits and the amounts due. The Liable State will issue all determinations on your claim.

4. Notices showing the amount and duration of benefits and any disqualifications or ineligibility decisions will be sent directly to you by the Liable State. Most Liable States require that you serve a waiting period before benefits become payable.

5. Before any Liable State will pay unemployment insurance to interstate claimants, certain information must be furnished by each claimant and by the Agent State. Among the questions asked are:

On what date did you arrive in Tennessee?
For whom, where and when did you last work?
Have you a separation notice from your most recent employer?
Are you able and available for work here and now?
Are you registered with the Tennessee Employment Security office for work?

ABLE TO WORK

6. Able to work means that you are physically able to perform work of a nature similar to work you have performed in the past or other work for which you are reasonably fitted by experience, training or education.

AVAILABLE FOR WORK

7. Available for work means that you are unemployed but ready to accept work at once, that there are no circumstances, personal or otherwise which would prevent you from accepting suitable work.

Most Liable States require a claimant to be making a reasonable effort to find work for himself in addition to his registration for work with the public Employment Service.

8. Some states hold that a claimant who has left an area in which work could be had and moves to an area in which no similar work exists has removed himself from the labor market and is not available for work.

9. All states require that every claimant be willing to accept suitable work in his locality at the prevailing rate of pay and under the working conditions which are customary there.

DISQUALIFICATIONS

10. If you quit your job, were discharged because of misconduct or if you lost your job because of a labor dispute you may be disqualified from benefits or your benefits may be suspended by the Liable State.

11. If you refuse to accept suitable work in this area you may be disqualified from receiving benefits in accordance with the law of the Liable State.

12. If the Liable State decides that you are not really unemployed, not able and available for work, not making a personal effort to secure work on your own initiative, or not willing to accept suitable work under working conditions that pre-

vail in this area you will probably be declared ineligible by the Liable State against which you are claiming benefits.

APPEALS

13. If you are dissatisfied with any decision in regard to your claim you have a right to appeal. Your appeal rights will be shown on any determination you receive from a Liable State. If you desire, your nearest Employment Security office will assist you in filing your appeal.

14. Information concerning all of the above matters must be obtained by Tennessee, the Agent State, and sent to the Liable State. Your cooperation in furnishing this information will speed up the final determination on your claim. You are required to report to the local Employment Security office in Tennessee on such days and at such times as instructed by the person who takes your claim. The day and hour usually will be shown on your identification card.

15. Your failure to report on the day and at the time provided will delay your claim and may result in a denial of unemployment insurance. If you cannot report at the assigned time or on the proper day, report as soon thereafter as possible.

16. If you return to work and believe you are entitled to benefits for a period prior to your reemployment, notify the nearest local office immediately giving the date and place of last claim filed and date of return to work. The local office can advise you about further filing to cover period between latest claim and return to work. Be sure to give your Social Security number under your name and address.

17. Each time you report to file a claim you must report any employment and the money value received or due you during the week or weeks for which you are claiming insurance. Earnings include, in addition to wages, any tips, board, room, or other payments in any form which you received for having worked. Any pension, workmen's compensation or Social Security benefits you are receiving or may be entitled to get should be reported, as some states require this information.

18. Unemployment insurance payments may sometimes be held up when there is a question whether you earned wages enough to qualify or whether you meet all the conditions fixed by the law. In order to be entitled to insurance you must continue to report to the local office as specified while these questions are being settled.

19. All state laws provide severe penalties for false statements or the withholding of a material fact to obtain benefits to which you are not entitled.

TENNESSEE
DEPARTMENT OF EMPLOYMENT SECURITY

Commissioner

DES-420.28 (Rev. 11/59 - 5M)

Chart E

Selected Unemployment Insurance Financial Data

Under State Unemployment Insurance Programs, November 30, 1958 and November 30, 1959

(amount in thousands)

State	Benefits paid 3 months ending		Collections 3 months ending		Benefits paid 12 months ending		Collections and interest 12 months ending		Funds available 1/		For 12 months ending November 1959 percent of	
	Nov. 30, 1959	Nov. 30, 1958	Nov. 30, 1959	Nov. 30, 1958	Nov. 30, 1959	Nov. 30, 1958	Nov. 30, 1959	Nov. 30, 1958	Nov. 30, 1959	Nov. 30, 1958	Benefits to taxable wages 2/	Reserves to taxable wages 2/
United States 3/....	4/$446,320	4/$642,972	$406,875	$317,887	4/$2,300,517	4/$3,474,419	$2,123,216	$1,682,062	4/$7,044,669	4/$7,136,279	2.1	6.3
Alabama.....	5,802	6,840	3,477	2,908	24,664	35,914	17,320	15,923	63,110	70,454	1.8	4.6
Alaska.....	803	812	1,376	1,368	6,423	7,836	5,030	4,441	5/3,229	5/4,622	4.3	2.2
Arizona.....	2,206	2,010	1,687	1,763	8,571	9,362	10,152	9,714	60,448	59,111	1.3	9.5
Arkansas.....	1,439	1,993	2,138	1,777	9,020	12,987	9,331	8,129	40,151	39,879	1.5	6.6
California.....	39,074	56,592	49,141	31,211	212,007	329,168	257,251	167,457	899,747	855,529	1.9	8.0
Colorado.....	2,028	4/2,308	1,096	1,634	4/10,030	4/12,912	6,640	8,696	69,695	4/73,100	1.1	7.7
Connecticut.....	4/ 8,419	4/19,185	7,531	4,977	4/56,731	4/92,061	42,050	30,607	4/174,742	4/189,938	2.7	8.3
Delaware.....	1,272	1,489	2,028	606	6,647	9,200	6,702	2,792	9,259	9,204	1.7	2.4
Dist. of Col.....	967	1,285	1,278	978	5,148	6,633	7,051	5,883	60,091	58,188	.8	9.7
Florida.....	6,104	7,501	7,855	3,854	22,466	27,784	36,530	19,325	99,948	85,984	1.0	4.3
Georgia.....	5,645	6,899	6,149	5,308	25,635	38,819	30,105	26,038	145,313	140,893	1.4	7.9
Hawaii.....	905	627	1,047	809	3,456	3,503	4,456	3,657	24,405	23,604	1.1	7.8
Idaho.....	897	980	1,226	1,050	7,353	8,974	5,541	4,872	31,266	33,094	2.4	10.3
Illinois.....	4/20,813	4/47,139	17,319	12,564	4/133,274	4/210,501	92,448	75,114	4/331,459	4/372,362	1.7	4.3
Indiana.....	7,695	11,663	8,337	6,609	38,719	82,956	46,247	37,701	175,795	168,809	1.3	5.7
Iowa.....	1,182	1,376	2,525	2,016	8,128	13,092	13,301	11,663	117,994	112,821	.7	9.9
Kansas.....	3,082	2,901	2,258	2,302	13,193	17,695	12,861	12,614	81,415	81,856	1.4	8.4
Kentucky.....	5,411	7,497	6,515	4,950	27,158	46,681	32,340	25,817	106,851	101,670	2.3	9.0
Louisiana.....	6,359	8,275	3,952	3,541	34,505	26,755	21,421	21,514	134,821	147,971	2.3	9.1
Maine.....	2,184	2,907	2,181	1,988	13,081	18,830	9,282	8,688	32,634	36,473	2.6	6.5
Maryland.....	10,556	10,922	8,678	4,387	48,573	58,749	38,009	20,610	69,599	80,220	2.7	3.8
Massachusetts.....	14,661	19,548	16,101	13,313	86,449	123,625	80,516	68,711	259,173	265,106	2.1	6.4
Michigan.....	34,272	52,981	22,940	19,263	130,516	325,206	140,054	113,816	5/ 220,967	5/ 211,556	2.5	4.3
Minnesota.....	4,291	6,010	3,679	2,765	32,520	46,886	24,783	17,423	78,505	86,390	1.8	4.3
Mississippi.....	2,059	2,159	3,074	2,537	11,444	14,782	13,735	10,968	33,427	31,817	1.8	5.2
Missouri.....	6,892	9,306	6,410	5,818	31,422	50,151	34,948	31,414	210,468	206,941	1.2	8.0
Montana.....	1,911	1,456	1,052	971	10,213	12,973	5,093	4,797	31,252	36,404	3.3	10.2
Nebraska.....	563	927	1,546	1,086	5,148	7,880	7,550	5,788	40,063	38,086	.9	7.0
Nevada.....	998	1,201	1,379	1,326	5,881	8,514	6,115	5,461	17,572	17,351	2.4	7.1
New Hampshire.....	1,086	1,580	1,645	1,443	6,073	9,199	6,946	6,422	23,511	22,651	1.6	6.2
New Jersey.....	23,814	32,051	21,960	20,247	128,241	185,756	110,669	104,430	352,534	370,106	2.9	8.0
New Mexico.....	1,023	883	1,251	1,185	4,340	5,450	7,099	6,274	44,393	41,634	1.0	9.8
New York.....	4/ 80,126	92,883	59,491	48,328	4/411,408	488,791	315,127	264,726	4/1,053,799	1,150,844	2.9	7.4
North Carolina.....	5,524	7,781	9,033	7,469	31,977	48,614	40,804	34,951	179,429	170,602	1.5	8.4
North Dakota.....	309	150	766	629	3,661	3,702	2,999	2,607	8,766	9,428	2.0	4.8
Ohio.....	4/ 24,109	4/58,720	15,043	11,925	4/123,855	4/ 269,831	100,271	69,697	4/400,444	4/425,994	1.8	5.7
Oklahoma.....	2,705	3,393	2,285	1,919	14,467	19,140	11,212	9,826	42,168	45,423	1.4	4.2
Oregon.....	2,941	5,855	8,294	7,952	25,124	42,140	34,625	26,847	40,840	31,422	2.1	3.4
Pennsylvania.....	57,277	77,266	42,105	31,984	271,567	380,391	223,475	162,671	5/199,071	151,009	3.3	2.4
Rhode Island.....	2,657	3,467	4,417	4,200	16,382	24,653	19,272	18,382	29,928	27,038	2.5	4.5
South Carolina.....	2,105	3,044	2,714	2,608	10,919	16,557	13,313	12,979	74,433	72,314	1.1	7.5
South Dakota.....	131	114	550	484	1,468	1,812	2,417	2,114	15,524	14,575	.8	8.5
Tennessee.....	5,254	7,833	6,725	6,316	28,561	48,339	31,516	29,733	78,429	75,790	1.7	4.8
Texas.....	10,568	13,843	8,214	5,307	51,604	67,804	43,519	33,916	259,657	268,322	1.1	5.5
Utah.....	1,542	1,146	1,335	1,281	7,080	9,369	7,352	6,865	38,189	38,091	1.5	8.2
Vermont.....	440	697	626	537	2,902	4,945	2,826	2,577	14,827	14,907	1.6	7.9
Virginia.....	2,451	3,594	6,960	1,834	16,404	23,262	21,568	10,131	85,904	80,785	.9	4.9
Washington.....	10,167	11,102	9,981	9,807	45,152	56,970	55,455	49,263	209,643	201,525	2.5	11.6
West Virginia.....	6,601	7,251	3,438	2,772	28,842	38,580	19,633	12,784	34,177	43,386	3.0	3.5
Wisconsin.....	6,538	4/15,140	5,415	5,476	4/ 38,323	4/64,850	33,659	33,022	221,681	4/226,378	1.6	9.5
Wyoming.....	453	390	650	499	3,492	3,836	2,597	2,215	13,922	14,820	2.0	8.0

1/ Includes amount credited to States' accounts in the Unemployment Trust Fund, less withdrawals by the States, under the provisions of the Employment Security Administrative Financing Act of 1954.
2/ Taxable wages for 12 months ending March 31, 1959.
3/ Sum of State figures may not equal national totals due to rounding.
4/ Includes payments made under State temporary extended benefit provisions; such payments are also reflected in funds available.
5/ Funds available reflect an advance from Federal account in Unemployment Insurance Trust Fund to: Alaska, $2,630,000 in January 1957, $2,635,000 in February 1958, and $3,000,000 in July 1958; Michigan $113,000,000 in September 1958; Pennsylvania $96,440,000 in April 1959.

January 20, 1960

MEMO

TO: Nelson H. Cruikshank, Director, Department of Social Security

FROM: Raymond Munts, Assistant Director

RE: 1959 Amendments Providing Temporary Extension of Duration

Six states in 1959 enacted permanent provisions for temporary extension of duration. These states now provide additional weeks of benefits to be triggered under conditions of higher than normal rates of unemployment.

State	Basic Duration Provision	Additional Weeks Duration	Unemployment Rate Trigger
California	Variable - 1/2 of base-period wages; maximum of 26 weeks	50% more weeks	Average insured unemployment rate of calendar quarter is 6% or more
Connecticut	Variable - 1/3 of base-period wages; maximum of 26 weeks	50% more weeks	Insured unemployment rate is 6% or more for 8 of the most recent 10 weeks
Idaho	Variable - 32-29% of base-period wages; maximum of 26 weeks	50% more weeks	Insured unemployment rate exceeds 6% and exhaustion ratio is over 10% higher than average for same period for preceding 7 years
Illinois	Variable - 38-32% of base-period wages; maximum of 26 weeks	50% more weeks	Insured unemployment rate is 4.375% or higher for 2 consecutive months
North Carolina	Uniform 26 weeks	8 more weeks	Insured unemployment rate is 9% or more for any 3 weeks in a consecutive 4-calendar-week period
Vermont	Uniform 26 weeks	13 more weeks	Insured unemployment rate exceeds 7% for 4 consecutive weeks

A similar proposal was recommended by the Advisory Council in New York but was not enacted.

There are four specific shortcomings in the temporary extensions as enacted in the six states:

(1) Older workers, minority groups, and others who generally have longer periods of unemployment even in good times get no help from these provisions; neither do those who become unemployed in areas of chronic unemployment within

a state; nor in a town where the major industry closes up. Longer benefits are not available to any of these people simply because the state as a whole does not mirror the high unemployment rate in that particular community.

(2) The amount of unemployment that triggers these extensions is expressed as a percentage of workers in covered employment. As a recession drags on and people exhaust their benefits, they are dropped off the rolls of the insured unemployed. Such an index, then, can seriously understate the extent of unemployment.

(3) Even advocates of experience rating never considered that experience rating was the appropriate method to finance recession-type benefits, which is exactly what the extended duration provisions are supposed to be. But in each state offering extended benefits, the additional benefits are financed through experience rating.

(4) The value of extended benefits will be exaggerated by all who wish to establish in the public mind an image of a generous unemployment compensation program. Some employers in the above states are talking about how their unemployment insurance program now provides 39 weeks of benefits. In the same vein, some employer experts in unemployment compensation see in this approach a way of holding weekly duration at present levels and also reducing the likelihood of federal intervention during recession periods.

In conclusion, uncritical acceptance of this approach can undercut the demonstrated need for longer duration at all times, as urged by the AFL-CIO. However, once a state has an adequate basic duration provision, extended duration which has surmounted some of the above shortcomings might be a useful supplemental program.

AFL-CIO Social Security Department
January 20, 1960

FLEXIBLE MAXIMUMS

Provisions in Six States for Varying Maximum Weekly Benefit Amount with Changes in Wage Levels

State	Method of Computing Maximum Benefit Amount	When Computed (effective date)
Colorado	50% of the most recently available average weekly wage in selected industries	Semi-annually on January 1 and July 1
Kansas	50% of average weekly covered wage during preceding fiscal year	Annually on January 1
Utah	50% of average weekly covered wage during preceding calendar year	Annually on July 1
Vermont	50% of average weekly covered wage during preceding calendar year	Annually on July 1
Wisconsin	52-1/2% of average weekly covered wage during base year ending 6 months prior to effective date	Semi-annually on January 1 and July 1
Wyoming	55% of average weekly covered wage during preceding calendar year.	Annually on July 1

Chart F

Initial claims filed during week ended Feb. 27, 1960, and insured unemployment for week ended Feb. 20, 1960

State	Initial claims					Insured unemployment						
	State			UCFE 1/	UCX 2/	State				UCFE 1/	UCX 2/	Total (excl. rail road)
	Number	Change from: Last week	Change from: Year ago			Number	Rate (%) 4/	Change from: Last week	Change from: Year ago			
U. S.....	270,563	-18,401	+12,038	2,585	5,741	2,149,994	5.5	-26,601	-195,300	38,601	60,325	2,248,920
Ala.....	3,463	-821	+142	66	101	30,600	5.9	+786	-1,073	622	1,244	32,466
Alaska....	407	-62	+19	37	14	5,116	17.2	-343	-758	569	117	5,802
Ariz.....	1,543	-427	+111	44	62	8,532	4.0	-343	-788	366	346	9,244
Ark.....	2,307	-61	+575	34	57	22,924	8.9	-532	+292	797	856	24,577
Calif.....	30,314	-2,687	+2,416	297	621	239,180	6.6	+7,523	+20,312	4,772	6,045	249,997
Colo.....	1,707	+60	+474	15	58	12,553	4.0	-75	+903	349	540	13,442
Conn.....	4,204	-588	+46	11	42	35,936	4.9	-1,048	-7,544	207	384	36,527
Del.....	484	-54	-20	3	16	5,612	4.6	+238	-1,980	56	116	5,784
D. C.....	755	-260	+118	55	32	6,862	2.7	+31	-438	1,024	301	8,187
Fla.....	5,400	-320	+720	80	159	27,640	3.3	-110	-508	781	837	29,258
Ga.....	3,400	-1,096	+102	39	81	31,255	4.3	-82	+2,687	729	918	32,902
Hawaii....	301	-108	-25	20	25	4,026	3.3	+80	+1,394	198	194	4,418
Idaho.....	739	-206	-20	17	32	9,842	9.0	-402	-89	619	527	10,988
Ill.....	12,429	-1,037	+953	91	208	96,474	3.8	-4,985	-33,922	1,267	1,862	99,603
Ind.....	5,710	-684	+213	26	107	41,485	4.0	-2,332	-4,062	484	1,091	43,060
Iowa.....	1,598	-550	+341	5	62	19,768	4.6	+716	+4,214	116	531	20,415
Kansas....	3,042	+823	+1,677	24	68	18,909	5.5	-847	+2,057	334	666	19,909
Ky.....	3,295	+59	+628	37	109	37,034	8.5	-336	+766	889	1,540	39,463
La.....	4,425	-248	+629	32	98	33,665	6.1	+296	-3,175	1,011	1,123	35,799
Maine.....	1,189	-165	-285	8	35	15,515	8.3	-167	-2,838	145	528	16,188
Md.....	4,065	-527	+9	68	129	38,097	5.7	-441	-6,713	591	778	39,466
Mass.....	11,331	-200	+292	33	142	87,456	5.9	-1,508	-435	712	1,216	89,384
Mich.....	11,655	+394	-719	29	301	82,975	4.9	+397	-36,610	543	2,862	86,380
Minn.....	3,451	+299	0	19	130	44,406	6.5	-2,097	-1,330	530	1,756	46,692
Miss.....	1,991	-356	+98	49	56	19,282	7.4	-286	+402	548	589	20,419
Mo.....	6,355	-1,804	+930	23	109	42,324	4.5	-4,016	+647	440	1,163	43,927
Mont.....	1,808	+291	+724	32	35	14,510	13.3	-1,122	+116	591	498	15,599
Nebr.....	941	+159	+261	9	29	10,721	5.0	+559	+873	185	361	11,267
Nev.....	752	-19	+46	12	15	5,048	7.1	-170	-523	120	84	5,252
N. H.....	798	-35	-163	2	12	6,305	4.3	-28	-1,261	45	213	6,563
N. J.....	10,447	-2,558	-671	58	149	97,274	6.5	-3,337	-12,438	997	1,557	99,828
N. Mex....	1,002	-167	+216	34	50	8,160	5.2	-762	+3,100	457	386	9,003
N. Y.....	40,024	-5,130	-4,885	319	446	286,228	5.8	-12,456	-31,832	3,910	4,124	294,262
N. C.....	10,872	+3,426	+3,718	73	134	46,295	5.4	+4,729	+2,049	764	1,194	48,253
N. Dak....	372	-72	+83	6	22	8,742	12.9	+205	+1,327	183	662	9,587
Ohio.....	12,436	-1,295	+2,790	54	238	105,285	4.5	+166	+1,129	1,026	2,993	109,304
Okla.....	2,837	-56	+826	21	57	22,123	6.1	-20	+1,318	446	1,052	23,621
Oregon....	3,420	+569	+130	33	120	28,441	7.6	+120	-4,627	677	887	30,005
Pa.....	24,226	-1,070	-2,071	163	431	194,306	6.6	+1,471	-76,396	2,060	6,729	203,095
R. I.....	2,326	-34	-301	6	31	15,169	6.5	+116	-2,157	196	305	15,670
S. C.....	2,292	+62	+386	33	58	14,501	3.6	+21	-1,567	228	488	15,217
S. Dak....	374	+26	+83	12	29	4,652	6.6	+11	+694	112	287	5,051
Tenn.....	4,632	+564	+852	104	126	47,004	7.5	+571	+4,044	1,712	1,739	50,455
Texas.....	8,236	-673	-177	118	260	62,135	3.6	-134	-1,379	1,319	2,124	65,578
Utah.....	998	-84	+242	21	29	9,112	5.3	-834	+470	425	340	9,877
Vt.....	398	-95	-70	1	15	5,001	7.3	+102	+350	42	199	5,242
Va.....	3,052	-169	+168	69	64	23,385	3.5	-2,246	-2,917	782	726	24,893
Wash.....	5,954	-1,922	+116	199	267	54,979	9.1	-2,824	+3,971	2,795	2,526	60,300
W. Va.....	2,974	+447	+147	16	117	26,898	7.9	+1,371	-7,718	173	1,441	28,512
Wisc.....	3,446	+99	+121	24	140	32,374	3.7	-1,625	-4,099	497	1,161	34,032
Wyo.....	386	-39	+43	4	13	3,878	6.3	-602	-38	160	119	4,157

Source: B.E.S.

Total insured unemployment in 146 major labor market areas 1/ 2/ 3/ for week nearest the 15th of the month

State and Area	Feb. 1960	Jan. 1960
Alabama		
Birmingham	6,700	6,900
Mobile	3,400	3,400
Arizona		
Phoenix	4,400	5,000
Arkansas		
Little Rock-No. Little Rock	2,200	2,300
California		
Fresno	6,900	6,500
Los Angeles-Long Beach	85,800	83,700
Sacramento	8,300	6,400
San Bernardino-Riverside-Ontario	9,400	8,900
San Diego	12,000	10,900
San Francisco-Oakland	42,400	36,100
San Jose	12,500	9,900
Stockton	7,100	6,500
Colorado		
Denver	5,900	4,700
Connecticut		
Bridgeport	5,400	6,300
Hartford	7,100	6,100
New Britain	1,700	1,800
New Haven	4,500	4,700
Stamford-Norwalk	2,500	2,800
Waterbury	3,200	2,900
Delaware		
Wilmington	4,100	3,900
Dist. of Col.		
Washington	9,900	8,800
Florida		
Jacksonville	2,300	1,800
Miami	8,300	7,300
Tampa-St. Petersburg	4,000	6,300
Georgia		
Atlanta	7,400	7,600
Augusta	1,400	1,200
Columbus	1,600	1,800
Macon	1,000	1,000
Savannah	1,900	1,700
Hawaii		
Honolulu	4,400	4,700
Illinois		
Chicago	58,400	55,500
Davenport-Rock Island-Moline	2,300	2,000
Peoria	2,900	2,800
Rockford	1,600	1,300
Indiana		
Evansville	3,100	3,200
Ft. Wayne	1,300	1,400
Indianapolis	6,400	5,800
South Bend	2,200	2,000
Terre Haute	1,700	1,500
Gary-Hammond-E. Chicago	3,600	3,600
Iowa		
Cedar Rapids	700	600
Des Moines	2,300	2,200
Kansas		
Wichita	4,500	4,400
Kentucky		
Louisville	10,800	10,200
Louisiana		
Baton Rouge	3,300	3,200
New Orleans	7,900	8,600
Shreveport	2,100	2,700
Maine		
Portland	2,600	2,300
Maryland		
*Baltimore	23,400	24,800
Massachusetts		
Boston	35,900	33,500
Brockton	3,700	3,900
Fall River	4,400	7,100
Lawrence	3,000	4,100
Lowell	4,200	4,400
New Bedford	4,800	5,300
Springfield-Holyoke	9,200	10,000
Worcester	5,100	5,600
Michigan		
Battle Creek	2,200	2,300
Detroit	40,400	42,100
Flint	2,300	2,600
Grand Rapids	2,800	2,700
Kalamazoo	1,600	1,600
Lansing	2,200	2,400
Muskegon-Muskegon Heights	1,300	1,800
Saginaw	1,400	1,600
Minnesota		
Duluth-Superior	3,800	3,900
Minneapolis-St. Paul	17,700	15,500
Mississippi		
Jackson	1,600	1,200
Missouri		
Kansas City	11,400	10,700
St. Louis	24,100	23,900
Nebraska		
Omaha	2,900	2,400
New Hampshire		
Manchester	1,600	1,800
New Jersey		
Atlantic City	7,300	6,800
Newark	32,700	36,200
Paterson	21,400	26,000
Perth Amboy	6,300	7,200
Trenton	6,700	7,300
New Mexico		
Albuquerque	2,900	2,500

Total insured unemployment in 146 major labor market areas 1/ 2/ for week nearest the 15th of the month--continued

State and Area	Feb. 1960	Jan. 1960
New York		
*Albany-Schenectady-Troy	11,700	10,500
Binghamton	3,400	3,000
Buffalo	22,800	24,300
New York	192,600	212,200
Rochester	7,400	7,400
*Syracuse	8,400	7,800
Utica-Rome	7,700	7,800
North Carolina		
Asheville	1,000	1,300
Charlotte	1,900	1,900
Durham	1,500	1,300
Greensboro-High Point	2,000	1,900
Winston-Salem	2,100	2,000
Ohio		
Akron	5,800	5,200
Canton	3,400	2,800
Cincinnati	11,200	10,700
Cleveland	23,000	21,600
Columbus	7,200	7,200
*Dayton	5,[illegible]00	5,700
Hamilton-Middletown	2,700	2,600
Lorain-Elyria	1,700	1,800
*Steubenville-Weirton	2,500	3,000
*Toledo	5,500	5,400
*Youngstown	4,400	5,200
Oklahoma		
Oklahoma City	3,600	3,600
*Tulsa	3,800	3,500
Oregon		
Portland	11,000	13,400
Pennsylvania		
Allentown-Bethlehem-Easton	8,200	9,400
Altoona	2,200	2,200
Erie	5,900	6,600
Harrisburg	3,400	3,600
Johnstown	6,900	7,600
Lancaster	2,400	2,600
Philadelphia	62,100	64,800
Pittsburgh	39,500	42,300
Reading	3,400	4,200
Scranton	8,000	9,000
Wilkes-Barre-Hazleton	13,100	15,900
York	3,600	3,900
Rhode Island		
*Providence	16,000	18,300
South Carolina		
Charleston	1,200	1,300
Greenville	1,100	1,100
Tennessee		
Chattanooga	4,900	4,700
Knoxville	5,700	5,400
Memphis	6,500	6,100
Nashville	4,200	3,900
Texas		
Austin	900	900
Beaumont-Port Arthur	4,400	4,500
Corpus Christi	2,400	2,200
*Dallas	7,700	8,000
El Paso	2,500	2,200
Ft. Worth	4,400	4,400
Houston	8,200	7,600
San Antonio	3,500	3,200
Utah		
Salt Lake City	4,400	4,900
Virginia		
Newport News- Hampton	1,600	800
Norfolk-Portsmouth	3,100	2,700
Richmond	2,400	1,500
Roanoke	1,800	1,400
Washington		
Seattle	22,400	23,400
Spokane	5,700	5,900
Tacoma	4,700	5,800
West Virginia		
*Charleston	2,900	3,000
Huntington-Ashland	3,800	4,400
*Wheeling	3,700	4,100
Wisconsin		
Kenosha	400	400
Madison	1,300	1,300
Milwaukee	8,500	8,900
Racine	1,600	1,400

1/ Data cover insured unemployment under the State unemployment insurance programs, the program for Federal employees (UCFE) and the programs for Korean veterans (UCV) and for ex-servicemen (UCX). All temporary extended benefit programs, except that in Ohio, were terminated by the first week of July 1959.

2/ Omits Mayaguez, Ponce and San Juan, Puerto Rico. Each area consists of a principal city or cities and the surrounding area within a reasonable commuting distance.

*/ Data may not be comparable with prior periods because of changes in labor-market-area definitions.

April 6, 1960

MEMORANDUM

TO: Mr. Nelson H. Cruikshank

FROM: Raymond Munts

SUBJECT: Reader's Digest on Unemployment Insurance

A special Senate Committee on Unemployment has just urged federal action to correct the following shortcomings in unemployment compensation:

--- Limited coverage of the law prevents one out of three of the unemployed from qualifying for benefits.

--- A much smaller portion of wages is insured by benefits now than twenty years ago.

--- In the recession, about one-third exhausted their benefits before they could find a job.

--- The employer tax rate today, even after a recession, is only one-third what it was twenty years ago.

These are some of the facts omitted in an original Reader's Digest article on "The Scandal of Unemployment Compensation," (April issue). The author, a Digest staff man, sets himself up as a defender of America's "moral fiber." He reports that "in 1959, one out of every twelve members of our unemployed labor force collected unemployment checks," and writes exclusively about "loafers, quitters, schemers, system beaters, dole grabbers, and parasites."

After being softened up by these scandals, the Digest comes out against the only hope for permanent improvement in the program. "Now the situation threatens to grow worse. Legislation before Congress would put the states completely under the thumb of BES by imposing mandatory federal benefit rates in all states to run nine months for anyone who qualifies for jobless aid. Big unions are already beating the drum for this federal take-over of jobless assistance."

Hidden editorial writing is not new to the Reader's Digest but this violence may be the new look of business in politics. The Digest lays out a plan of political action which includes reporting on your neighbors:

"What can you as a citizen do about this? Here are suggestions: if you know of any cheaters, report the facts to employment officials or to your local newspaper. Find out if your state law needs to be tightened to prevent what you consider unjustified payments. If you decide that something should be done, communicate with your legislator. Write your governor, get your neighbors in-

terested. Find out if your Congressman intends to support national legislation that would turn over unemployment compensation entirely to the Federal Government. . . Just because it is technically legal to dip into the public till, don't let yourself be persuaded that it's the right thing to do. . . We cannot afford to become a nation of loafers, system beaters and dole grabbers."

The Digest held up this article for an opportune political moment (two weeks before the House Ways and Means Committee got ready to report). Actually, it was written in 1958 by a Mr. Gilmore at the request of his boss, Charles Stevenson. Stevenson knew what he wanted: he had done an almost identical piece (different examples, same pitch) for the Digest in December, 1949, after first putting it in the Chamber of Commerce's magazine, Nation's Business.

Both articles, following recessions, are designed to dampen public outrage at the shortcomings of the jobless program.

* * *

Some employer abuses again withheld by the Digest:

--- Two percent of employers are delinquent or defaulting on unemployment compensation taxes, a larger percentage than all worker disqualifications from benefits are to total claims.

--- In Ohio, (where the Digest quotes government officials to back up its charges) employers are allowed to hire "actuarial and service" firms to fight all appeals by their employees. These firms are paid according to their success in defeating the unemployed claimants.

--- Overdue and defaulted employer unemployment compensation taxes are over forty million dollars, better than three times what the Digest says has been taken by "gypsters."

--- Employer pressure on legislatures to hold down benefits, introduce restrictions. (An employer lobby in Washington has admitted spending $125,000 in the 1958 recession to defeat permanent improvement in the program.)

* * *

Millions of Americans and people in 18 countries will get a warped view of a good feature of our American system. In every case of alleged scandal, the Reader's Digest omits the essential fact which weighed in the Court or Appeal Board's decision.

The Wisconsin mine-hoist operator who was discharged: here the Digest omitted the crucial fact that the claimant's superintendent had told him he could stay away until his doctor cleared him for mine-hoist work again.

The inspector in a Pennsylvania defense plant who was discharged for causing scrap: the Digest fails to report that there was no "deliberate and willful action," a conclusion reached by the Board of Review after 53 pages of testimony by the employer.

Both of these cases were difficult ones and decided differently at each step of the appeals procedure. Would the Reader's Digest disqualify anyone discharged for whatever reason? They don't say. They imply the need for reform but never specify what it should be.

The girl who quit as a night-club dancer in Miami when the show moved to Las Vegas: here the Digest doesn't tell you she was justified in quitting because her work and living conditions would have been much worse in Las Vegas.

Two of the Digest "scandals" involve women who quit because they wanted to live with their husbands. One was married and had to move to stay with her husband; the other left to marry a man in another town. Both wanted to continue working and were looking for work in their new residence. The Digest implies that working women should be penalized under the law whenever there's a conflict between their marital and job obligations. Are there no good causes for voluntary quit? The Digest won't say.

The North Carolina schoolteacher who collected benefits during the summer: the Digest withheld the essential fact that his employment was terminated May 29th.

The child-actor who turned down a job paying one-fourth of her regular earnings: does the Digest think one's skill has to be sold immediately to the lowest bidder? One of the purposes of unemployment compensation is to free people from immediate down-grading during a temporary job shortage, and thereby maintain their skills and talents.

. . . Woven through the Digest story is the assumption that jobless pay is an employer's gift and that his interest alone should be respected.

Only the employer's experience with appeals is cited: "In a recent twelve-month period more than two-thirds of their (employer) appeals to referees and the board of review were turned down." The Digest omits the fact that three out of four workers lose their appeal.

There are no instances cited where a worker has been shortchanged by the law. What about the employee who, while off duty, was griping about his employer; when the word got back he lost his job and was disqualified from benefits as "discharged for misconduct."

What about the fact that in almost all states a man looking for work who breaks his arm is disqualified as "unavailable for work," even though there is no work to turn down?

What about the states that disqualify for the entire duration of unemployment? This is punishment for economic circumstances rather than for the disqualifying act.

What about the woman in Michigan who confided to her employer that she was pregnant, but assured him that she would be around for five or six months? In the afternoon she was discharged and then disqualified for benefits on the grounds that pregnancy caused her unemployment.

These are the stories you won't find in the Reader's Digest.

* * *

Attached is a detailed analysis of each of the cases cited in the Reader's Digest. This was prepared by the Department of Labor's Bureau of Employment Security.

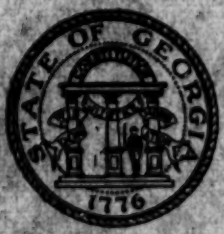
Georgia Department of Labor

Regulations for the Administration OF EMPLOYMENT SECURITY LAW

AS

AMENDED THROUGH

MARCH, 1962



BEN T. HUIET

Commissioner of Department of Labor
of Georgia

Employment Security Agency

ATLANTA

Texas Employment Commission

R U L E S

Adopted pursuant to

Texas Unemployment Compensation Act

EFFECTIVE JULY 1962

T. E. C. Building Austin 1, Texas

due reform. Equalization grants from a federal fund would distribute more evenly the burden of extreme drains on state funds.

Given the late date of introduction of the McCarthy-King bill and the other matters before the House Ways and Means Committee, it is unlikely that its real test will come this year.

Federal Advisory Council on Employment Security

After two years of inactivity, the Federal Advisory Council on Employment Security has been reconstituted by Secretary of Labor Wirtz. He convoked the first meeting on Apr. 5, 1963.

The employee representatives are Harry Boyer, president, Pennsylvania AFL-CIO; Jacob Clayman, administrative director of the Industrial Union Department, AFL-CIO; C. J. Haggerty, president of Building and Construction Trade Department, AFL-CIO; John H. Lyons, Jr., president, International Association of Bridge, Structural and Ornamental Iron Workers, AFL-CIO; Karl F. Feller, president, International Union of United Brewery, Flour, Cereal, Soft Drink and Distillery Workers, AFL-CIO; Nelson H. Cruikshank, director, Department of Social Security, AFL-CIO; A. J. Hayes, president, International Association of Machinists and Aerospace Workers, AFL-CIO; Leonard Woodcock, vicepresident, United Auto Workers, AFL-CIO; and Joseph H. Davis, president, Washington State Labor Council, AFL-CIO.

State Legislation

State legislation in 1962 and 1963 shows some minor improvements which are more than offset by some very serious setbacks. Among the improvements may be noted the following: three jurisdictions—Washington, D. C., North Dakota, and Arkansas—have joined the states that set their weekly maximum as a percentage of state average weekly wages, making 11 such states. A few states have raised their taxable wage base. Several more now limit disqualifications where the unemployed worker is taking an approved training course.

Particularly serious among the setbacks is the trend toward cutting off all benefits following such disqualifying acts as voluntary quit, discharge for misconduct, or refusing suitable employment. More and more the states are using "total disqualification" for the duration of one's unemployment rather than several penalty weeks without compensation.

Three states reduced benefits if a worker goes outside his state to look for employment. This trend is at odds with other national efforts to increase the mobility of the labor force.

In previous reports we have pointed out that state legislation seemed to show change but little net improvement in recent years. For the first time, there has actually been a rollback in benefits.

During the last two years weekly benefit amounts or the

duration of benefits have actually been cut in Wyoming, Colorado, Ohio, South Dakota, Oregon, and Tennessee. In addition, many states have eliminated large numbers of workers from the program through tighter qualifying requirements.

Underfinancing continues to rob the program of vitality. Reserves in 23 states are below the "solvency level," that is, are insufficient to pay benefits for 18 months at recession rates. In seven of these states, the reserves are critical in the sense that there are insufficient funds to pay even 12 months of benefits at recession rates. The legislative experience in Wyoming, Minnesota, Ohio, and Michigan this year illustrates how jobless benefit provisions are subject to attack when the reserves are low—even when the depletion of reserves is due to underfinancing rather than liberal benefits.

1962

District of Columbia: Increased the weekly maximum benefit from $30 to 50 percent of average weekly wages ($48 on effective date, now $49); increased maximum duration from 26 to 34 weeks and raised total benefits allowed from ⅓ to ½ base period wages; extended coverage to non-profit organizations; limited "step-down" qualifying provision; required intervening employment for second benefit year eligibility; allowed slight reduction in taxes.

Kentucky: Raised weekly maximum from $37 to $40; increased penalty for voluntary leaving from 6 to 16 weeks to total disqualification for the duration of unemployment.

Virginia: For the major disqualifying acts extended penalty from 7-12 weeks to total disqualification for the duration of unemployment plus 30 days' work; raised weekly benefit from $32 to $34, raised duration from 20 to 24 weeks; raised base year earnings requirements for every weekly benefit level, including the minimum; non-contributory pension payments were made disqualifying income.

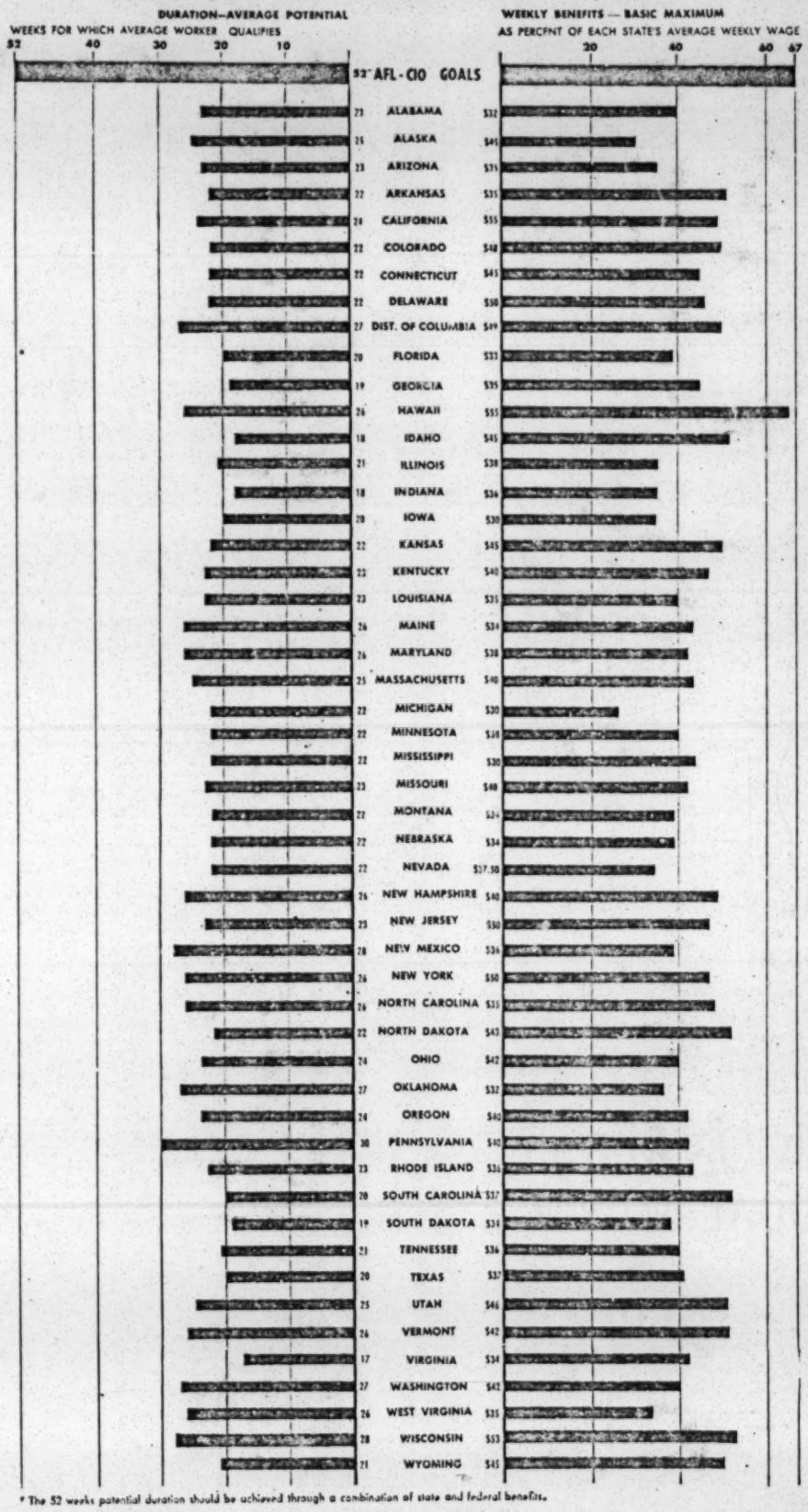
1963

Arkansas: Raised maximum weekly benefit from $30 to 50 percent of state's average weekly wage ($35 on July 1); raised minimum to $15 and required more base quarter earnings to qualify; added contributory pension benefits to disqualifying income; added higher tax rates to "negative balance" accounts and in other ways amended financing provisions.

Colorado: Maximum weeks reduced from 32½ to 26; total potential benefits reduced from ½ to ⅓ base period earnings; reduced weekly benefit amount by deleting definition of full-time weekly wage and modified method of computing benefits; complicates disqualication system with elaborate variety of penalties; broadened disqualification for labor dispute; redefined and tightened seasonal disqualification; charged employer accounts even where compensated unemployment not due to employer action.

HOW UNEMPLOYMENT COMPENSATION BENEFITS MEASURE UP

EFFECT OF LEGISLATIVE AMENDMENTS ADOPTED PRIOR TO JULY 1, 1963



* The 52 weeks potential duration should be achieved through a combination of state and federal benefits.

Florida: Disqualification for voluntary quits extended by limiting "good cause" to cause attributable to employer; allowed overdue benefit payments to be paid to family in case of death of compensated worker; raised maximum tax rate from 2.9 to 4.5 percent; disqualified refugees (Cubans) under certain conditions.

Hawaii: Tightened financing by raising minimum rate to 1 percent and in other ways.

Idaho: Required that when individual draws 75 percent of his benefits in any one benefit year, he must earn 8 times his weekly benefit before being allowed to qualify in next benefit year; increased taxable wage base to $3,600; changed definition of peril point; changed schedules of experience rates.

Massachusetts: Raised maximum $40 to $45; increased wage qualifying requirements.

Michigan: Increased maximum benefits from $30-55 to $33-60; workmen's compensation benefits made disqualifying income; added penalty for duration of unemployment where discharge due to strike action; tightened labor dispute qualification; increased taxable wage base to $3,600.

Montana: Tightened wage qualifying requirement; increased minimum disqualification penalty; redefined minimum fund conditions.

Nebraska: Raised maximum $34 to $38; raised wage qualifying requirements.

New Hampshire: Raised maximum $40 to $45.

New Mexico: Provided different fund levels to trigger new tax rates, including rates to 3.6 percent.

New York: Enacted various changes in experience rating formulas and application.

North Dakota: Reduced duration allowed by limiting to 26 weeks, 22 weeks, or 18 weeks by requiring base year earnings over 70 times, 55 times, and 18 times weekly benefit amounts, respectively; tightened qualifying requirement for all benefit levels; raised weekly maximum from $36 to 50 percent of average weekly wages (43 as of July 1); for voluntary leaving, refusing suitable work and discharge for misconduct; established total disqualification penalty.

Ohio: Changed individual weekly benefit formula substantially to disadvantage of low paid employees; reduced average potential weeks of duration; reduced weekly benefit amount by employer-paid portion of pension benefits; required "active search for work" for eligibility; severely restricted pregnancy disqualification; deleted "prior earnings" as a factor in defining "suitable work;" shifted more of tax burden to companies where claims are high.

Oklahoma: Eased the time period at which experience rating terminates under condition of low fund balance.

Oregon: Withdrew from the eligibility any one entitled to OASI, unless he proves otherwise; raised maximum from $40 to

$44; reduced weekly benefits by computing as 1.25 percent of base period earnings (formerly 1/26th high quarter wages).

Rhode Island: Raised age of dependents from 16 to 18 for payment of dependent allowances.

South Dakota: Added from 7 to 13 non-compensated waiting weeks for those claimants making over $6,000 in the base period; defined week of unemployment as one where claimant makes less than one and a half times his weekly benefit amount; raised the partial earnings allowed before benefit reduction; increased the voluntary leaving penalty from 1-5 to 4-9 weeks; increased the disqualification for discharge for misconduct from 1-10 to 7-24 weeks; raised maximum weekly benefit from $33 to $34.

Tennessee: Tightened wage qualifying provision by requiring more earnings in high quarter and base period and by eliminating "step-down"; changed duration from uniform 22 weeks to variable benefits limited to ⅓ base period wages and maximum of 26 weeks; slightly increased in earnings to requalify for second year benefits; increased penalty on voluntary leaving and misconduct from five weeks to total disqualification for duration of unemployment and until five times weekly benefit is earned; increased weekly maximum from $32 to $36.

Texas: Total disqualification for individual who left work to go to school and who subsequently became unemployed.

Utah: Tightened attachment test by requiring more earnings and more weeks of work in the base year; increased taxable wage base from $3,000 to $4,200.

West Virginia: Increased maximum from $32 to $35; raised base period wages needed to qualify for higher minimum; liberalized penalty for misconduct (other than gross misconduct) from total disqualification for duration of unemployment to six weeks; tightened disqualification for pregnancy; changes in coverage provisions and in experience rating.

Wyoming: Substantially decreased benefits by lowering maximum from 55 percent to 50 percent average weekly wages ($49 to $45) and by eliminating dependents allowances (formerly up to $6); adds an additional qualifying requirement of 26 weeks of covered employment; reduced interstate claims to 75 percent of amount under Wyoming law or maximum in state where claim filed; established total disqualification penalties; adds severe seasonal work limitations.

Workmen's Compensation

During the past two years, strenuous efforts have been made to improve state workmen's compensation laws by state AFL-CIO bodies. Hundreds of workmen's compensation bills were introduced. In 1962, Kentucky, Maryland, New Jersey, New York, Rhode Island and Virginia increased benefit levels, and during 1963 when all legislatures were in session, Colorado, Georgia,

State Workmen's Compensation Laws

Bulletin 161

Revised September 1964

U.S. DEPARTMENT OF LABOR
W. Willard Wirtz, Secretary
BUREAU OF LABOR STANDARDS
Nelson M. Bortz, Director

For further information inquire at your nearest Employment Security office or write

TENNESSEE DEPARTMENT
of
EMPLOYMENT SECURITY
Cordell Hull Building
Nashville Tennessee
37219

(The statements given in this leaflet are for general information only, and are not to be construed as law or regulation.)

Form DES-420.6 (Rev. 7/65)

UNEMPLOYMENT INSURANCE

KNOW YOUR RIGHTS AND RESPONSIBILITIES

TENNESSEE DEPARTMENT
of
EMPLOYMENT SECURITY
Nashville Tennessee
37219

UNEMPLOYMENT INSURANCE

What is Unemployment Insurance?

Payments made to an unemployed individual who loses his job through no fault of his own are termed unemployment insurance or benefits. These payments act as the first line of defense against want when an individual's income stops. Such payments tide the individual and his family over until he finds another job. In doing this it serves not only the individual but the community in which he lives as his payments enable him to maintain a limited purchasing power.

You Should Know Your Rights

If you are protected by this insurance, it is important for you to know your rights and what you should do to collect the payments that may be due you. This leaflet gives some of the important points that you will wish to know, but it does not attempt to tell the whole story.

Who is Protected By Unemployment Insurance?

If you work in a mill, shop, factory, store, bank or mine you probably have job insurance protection.

This protection is authorized in the Tennessee Employment Security Law which requires most types of employers with four or more employees to pay the cost of the insurance just as they pay for fire, burglary, workmen's compensation or any other kind of insurance.

Nothing is deducted from your wages to pay for this protection.

For information concerning unemployment benefits for ex-servicemen and former federal civilian workers, consult your Local Employment Security Office

Who Is Not Protected By Job Insurance?

Your employer has the right to voluntarily cover your employment in any field but he is not required by law to do so if you perform labor in agriculture, work as an insurance agent or insurance solicitor on commission, serve as a domestic in a private home, or work for a non-profit organization.

There are other exemptions which may affect you. For example, you will not have job insurance if you are under 21 years of age and employed by either of your parents, nor at any age if you work for your son, daughter, husband or wife.

Weekly Benefit Amount

The amount of the weekly income from job insurance is given in a table included in the law. It is called the "weekly benefit amount." The total amount you may draw during your benefit year is determined by the total amount of wages you earned during your base period.

Three Kinds of Unemployment

The law provides benefits for three kinds of un employment. These three are total, part-total and partial unemployment.

Briefly, total unemployment occurs when a worker has lost his job connection, is entirely out of work and receives no wages.

Part-total unemployment occurs when a worker has lost his full time employment, but does have some work other than regular employment at which he earns less than his weekly benefit amount.

Partial unemployment occurs when an employee has less than full time work with his regular employer, and earns less than his weekly benefit amount. A partially-unemployed worker has not lost his job. He has a regular employer but is temporarily under-employed. His employer will file partial claims for him.

Requirements

There are certain requirements that you must meet before you can draw unemployment insurance. Among these are:

1. You must be totally, part-totally or partially unemployed through no fault of your own.
2. You must be registered for work with the Tennessee Employment Security Department.
3. You must have worked in covered employment.
4. You must be physically able to work at the time you file your first claim. If you should become sick or disabled later you still may qualify for benefits, provided no job is offered to you that would have been considered suitable at the time you first registered.
5. You must be available for work, that is ready and free to accept suitable work offered you.
6. You must have earned enough wages at your work to qualify for benefits.
7. You must serve one week of waiting for which no payment is made, after claim is filed.
8. You must report any money you have earned when filing claims.
9. You must file your claims in accordance with the law and regulations of the Tennessee Department of Employment Security.
10. You must report the amount of your annuity, pension, or other retirement pay being paid to you by a former employer or from any trust or fund. DO NOT REPORT OASI PAYMENTS.

How to File A Claim

If you think that you are due unemployment insurance you should go in person to the Employment Security office for the area in which you live. If there is no such office where you live, a representative may come to your community from time to time. Ask at the city hall, courthouse or newspaper office for information about the time and place the traveling representative may be found. He will register you for work and take your claim for unemployment benefits.

When you file a claim for benefits, be sure to take your Social Security card and your separation notice with you.

Your first application is called an "initial claim." It will be sent to the Central Office at Nashville for checking against your record.

Later on you will receive an official report on your claim. This report is called a "determination." It will show the amount of wages reported for your "base period" and your weekly benefit amount, if any is due you under the law. Each employer for whom you worked during your base period will be notified when you have filed a valid claim.

You should visit the employment office regularly, at the hour and on the day you are advised to appear. If you should fail to report, without good cause, there will be delay in handling your claim. As long as you meet the legal requirements you may draw benefits until the amount available to you in your benefit year has been exhausted.

Disqualifications

You shall be denied benefits for the duration of of your unemployment and until you return to work for an employer who pays the unemployment insurance tax and earn five times your weekly benefit amount for:

1. Voluntarily quitting work without good cause connected with your work. (No disqualification results if you left your work because you were sick or disabled or you left work in good faith to join the armed forces of the U. S. provided you have met certain requirements.)

2. Being discharged for misconduct (simple) in connection with your work.

3. Failing without good cause to apply for or to accept available suitable work when so directed by the Employment Security Office.

Other sections of the Law provides disqualifications for

1. Making false statements or intentionally withholding information to obtain benefits (Based on the facts in the case, maximum disqualification may extend to 52 weeks.)

2. Taking part in a labor dispute.

3. Being discharged for gross misconduct connected with your work. (No benefits based on wages received prior to the time of discharge, may be paid.)

Rights and Benefits Protected

Benefits paid you under the Tennessee Employment Security Law may not be assigned, pledged, attached or levied in any manner whatever so long as they are not mingled with your other funds. They are exempted from any remedy whatsoever for the collection of all debts except debts incurred for necessaries for you, your wife or your dependents while you are unemployed.

The Law does not permit you to waive, release or commute any of your rights granted under the Law.

You do not have to pay income tax on unemployment insurance benefits.

Interstate Benefit Plan

If you have worked in covered employment in Tennessee and then move to another state (including the District of Columbia) or to Canada, your benefit rights are preserved in Tennessee.

If you lose your job in another state go to the public employment office. The office in the state where you then live will help you to file the claim. You may choose to file against any state in which you have benefit credits available provided you have exhausted all benefits available to you on any current claim you may have established. Under certain conditions, available benefit credits in two or more states may be combined in order to establish a claim.

The same arrangement permits you file to a claim in Tennessee for benefits earned in other states.

You Can Appeal Your Case

You have the legal right to appeal your case if you feel that an injustice has been done. An appeal through your public employment office may be made

from a determination within ten days after it is delivered to you.

An appeal from a decision of the Appeals Tribunal must be made within ten days after it is delivered. You do not have to employ anyone to represent you, but you may so do if you wish.

Since your employer pays for the benefits that you may receive, the amounts paid to you are charged against his account. He also has the legal right to appeal the case.

Penalty For Fraud

It must be borne in mind that both you and your employer can be prosecuted under criminal laws for making false statements. You can also be disqualified from receiving benefits for a period of time and forced to return all money obtained under false pretences. The Law provides that you may be fined up to, but not more than $1,000, or imprisoned in the county jail for not more than one year, or both, in the discretion of the Court for making false statements or withholding needed information.

There is no reason, however, for you or any unemployed worker, to fear filing an honest claim. The money is being kept in reserve for that purpose. The penalties are provided for those who try to beat the Law.

When You Write About Your Claim

In writing to the Department of Employment Security about claims for benefits be sure to print or type your name and correct address, the name and address of your employer, and also your correct Social Security number. All records in the Central Office are filed by Social Security number.

SPECIAL INFORMATION FOR FORMER FEDERAL EMPLOYEES

If you are eligible for unemployment insurance as a former Federal civilian employee, your unemployment insurance benefits are determined:

(1) under the laws of the state in which you had your last official station, or

(2) if at the time of filing your initial claim you reside in a state in which you have worked in employment covered by state law after separation from your Federal employment, then your benefits would be determined under the law of your state of residence, or

(3) if your last official station was outside the United States, the law of the state of your residence would determine your unemployment insurance benefits.

Therefore, the amount of benefits for which you qualify, the reporting and filing requirements to file your claim, etc., are determined by state law. If your claim is filed against Texas, the laws and regulations discussed above concering claimants filing claims against the State of Texas also apply to your claim.

The Federal agency for which you worked should have furnished you with a Notice to Federal Employee About Unemployment Compensation, Standard Form 8, and a Notification of Personnel Action, Standard Form 50, or its equivalent. Please present these documents and your social security account card when you file your initial claim for benefits.

IF YOU HAVE ANY QUESTIONS REGARDING THESE MATTERS, PLEASE CONTACT THE NEAREST TEC OFFICE OR WRITE TO THE TEXAS EMPLOYMENT COMMISSION, TEC BUILDING, AUSTIN, TEXAS 78701.

UNEMPLOYMENT INSURANCE

INFORMATION FOR CLAIMANTS

This pamphlet has been prepared to give you general information concerning unemployment insurance and your rights in claiming benefits. Each state has its own unemployment insurance law and administers its own unemployment insurance program. Accordingly, the following information applies only to claims filed against Texas under the Texas Unemployment Compensation Act. Special information for ex-servicemen and former Federal civilian employees is contained in the last part of this pamphlet. This pamphlet is for information only and does not have the force and effect of statute or regulation.

TEXAS EMPLOYMENT COMMISSION

Form B-91 (8-65)

SPECIAL INFORMATION FOR EX-SERVICEMEN

If you are eligible for unemployment insurance as an ex-serviceman, your unemployment benefits are determined under the laws of the state in which you file your first initial claim and establish entitlement to unemployment insurance following your separation from military service, Therefore, the amount of benefits for which you qualify, the reporting and filing requirements to file your claim, etc., are determined by state law. If your claim is filed against Texas, the laws and regulations discussed above concerning claimants filing state claims against the State of Texas also apply to your claim.

To qualify for unemployment insurance as an ex-serviceman, you must:

(a) have had 90 or more continuous days of active service in the Armed Forces (or less than 90 days if you have been discharged or released because of a service-incurred disability or injury);

(b) have been discharged or released under conditions other than dishonorable (you have not received a bad conduct discharge, or, if an officer, you have not resigned for the good of the service);

(c) have had a certain amount of active service in the Armed Forces within a base period specified in the state unemployment insurance law.

No benefits can be paid during the period covered by lump-sum terminal leave payments (the number of days after discharge or release equal to the number of days of unused leave which is compensated), or during the period covered by mustering-out payments (90 days after discharge or release if you get $300, 60 days if you get $200, and 30 days if you get $100). No benefits can be paid for any period for which you are receiving an education and training allowance under subsection (a), (b), (c), or (d) of Section 232 of the Veterans' Readjustment Assistance Act of 1952; a subsistence allowance under Part VII or Part VIII of the Veterans Regulation Numbered (a), amended; or an education assistance allowance under the War Orphans' Educational Act of 1956.

You need the following records to file a claim as an ex-serviceman:

(a) Separation form DD-214.

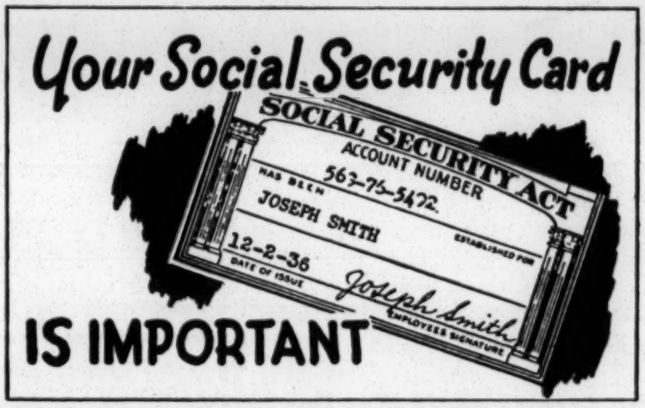
(b) Social Security Account Card.

IF YOU HAVE ANY QUESTIONS REGARDING THESE MATTERS, PLEASE CONTACT THE NEAREST TEC OFFICE OR WRITE TO THE TEXAS EMPLOYMENT COMMISSION, TEC BUILDING, AUSTIN, TEXAS 78701.

Information About Unemployment Insurance

WHAT IS UNEMPLOYMENT INSURANCE? It is an insurance program which compensates eligible workers for a portion of their wage loss when they lose their jobs. The objective is to aid unemployed persons while they are looking for work, by providing weekly income for a stipulated period of time.

WHO PAYS FOR UNEMPLOYMENT INSURANCE? In Texas, an employer is subject to a tax for unemployment insurance payments if he employs four or more employees in each of twenty weeks during a calendar year, unless he is specifically exempt by law. No money can be deducted from an employee's wages for unemployment insurance.



When you file your FIRST CLAIM you must bring with you to the commission office your SOCIAL SECURITY card for identification. All your wages have been recorded under your SOCIAL SECURITY number and the TEC uses this in checking your claim and in keeping your records.

WHO CAN QUALIFY? To qualify for unemployment insurance you must have within your Base Period (see explanation below) received from employers who pay the unemployment tax in Texas, wages of not less than $250 in a calendar quarter with at least $125 in some other quarter; or, $1,000 or more in any quarter; or, $450 in total wages with no less than $50 in each of three different quarters.

An individual who worked for a Federal agency or who is an ex-serviceman may qualify for Federal unemployment insurance, or may combine his Federal wages and wages earned in State-covered employment to qualify for benefits. Wages earned in another State also may be used in combination with wages earned in Texas to qualify for benefits.

WHAT IS A BASE PERIOD? It is the first four of the last five completed calendar quarters immediately preceding the date of a claimant's initial claim for unemployment insurance. You can determine your Base Period as follows:

If you claim insurance between:	Your Base Period is the preceding:
Jaunary 1 and March 31	October 1 through September 30
April 1 and June 30	January 1 through December 31
July 1 and September 30	April 1 through March 31
October 1 and December 31	July 1 through June 30

HOW CAN AN INDIVIDUAL CLAIM UNEMPLOYMENT INSURANCE? Before an individual can file for unemployment insurance, he must register for work with a representative of the Texas Employment Commission. After he is registered for work a representative will then help him complete an initial claim. The reason the claimant left his last work must be shown on the claim and a copy of the claim is mailed to the claimant's last employer. The employer has ten (10) days from the date the notice of the claim was mailed to him in which to protest payment of the claim. This claim is not a payable claim but establishes the claimant's entitlement to unemployment insurance.

To be paid unemployment insurance, the claimant must report to a Texas Employment Commission representative and file continued claims after filing an initial claim. A continued claim may be filed at seven-day intervals following the initial claim.

HOW ARE BENEFITS DETERMINED?

The amount of benefits is determined by the amount of qualifying wages paid to a claimant during his base period. (An employer subject to the Act reports only the first $4,800 in wages in a calendar year for each of his employees. Wages in excess of this amount are not reported and are not used in computing benefits). The amount he may be paid for a seven-consecutive-day period of total unemployment is determined by taking 1/25 of his highest quarterly wages in his base period adjusted to the next higher multiple of One Dollar ($1), not to exceed $37. The maximum benefits that can be drawn during a benefit year is determined by taking the lesser of 25% of the total wages reported in his base period or 26 times his weekly benefit amount. (A benefit year is a period of one year beginning on the date of a claimant's valid initial claim.) A claimant with sufficient wage credits may qualify for minimum weekly insurance payments of $10 a week up to maximum weekly payments of $37 a week. The number of weeks a claimant can draw unemployment insurance depends on the total amount of his unemployment insurance except that he cannot draw more than twenty-six weeks for total unemployment during his benefit year.

HOW DOES A CLAIMANT KNOW IF HE QUALIFIES FOR BENEFITS?

IDENTIFICATION CARD

NAME

S. S. No.

OCCUP. CODES

Claim Sched. Day: Hour: AM PM

Type of Claim: UC ☐ UCFE ☐ UCX ☐

H R Yr. of Birth:

Report Date	Symbol	Next Report Date	Office Number	Report Date	Symbol	Next Report Date	Office Number

WBA _____ , MBA _____, AND BYE _____ .

A form (B-11) entitled "Benefit Claim Determination" is mailed to each claimant showing the total amount of unemployment insurance, if any, for which he qualifies, and the maximum weekly amount he may draw. If he does not qualify for benefits, the form will be marked "Disallowed."

The Form B-11 shows whether or not a claimant qualifies for benefits. It does not show if the claimant is ineligible to receive benefits or if he is subject to a disqualification of benefits. If he is ineligible to receive benefits or is disqualified benefits, a second notice entitled "Notice of Claim Determination" will be mailed to him showing the decision made in regard to his claim.

WAITING PERIOD WEEK

A claimant must serve a waiting period of one week covered by a continued claim before he can qualify for any payment of unemployment insurance. He may be paid for this waiting-period-week claim if he subsequently draws four times his maximum weekly benefit amount.

WHAT ARE THE REQUIREMENTS FOR RECEIVING PAYMENTS?

First, a claimant must be less than full-time employed and must not have earned monies equal to or in excess of his weekly benefit amount of unemployment insurance plus $5 or 25% of his weekly benefit amount, whichever is greater. (If he works less than 40 hours and earns less than his weekly benefit amount plus $5 or 25%, whichever is greater, he may draw the difference in unemployment insurance. The difference between the amount drawn and his weekly benefit amount may be claimed in a subsequent week of unemployment during his benefit year.) A claimant who cannot report to file a claim because of having returned to full-time work should immediately notify a Commission office. When necessary, the local office representative will arrange for the claimant to report before or after regular office hours so that a claim may be accepted for the week in which he returned to work.

All hours worked and all wages earned during the time covered by a claim must be reported on the claim, even though wages for the work have not yet been received. Failure to report such work and earnings can result in severe penalties. Earnings reported will reduce benefits payable as described above, but will not reduce the total benefits available to the claimant during his benefit year.

A claimant is not eligible for unemployment insurance unless he is physically able to work. Any illness or physical injury severe enough to keep him away from a job may also keep him from drawing unemployment insurance.

A claimant must be available for work during each of the seven days he is claiming unemployment insurance. Any activities, such as, confining responsibilities at home or being out of town on personal business, which keep him from accepting work, will also keep him from receiving unemployment insurance payments.

CAN A CLAIMANT WHO QUIT WORK DRAW INSURANCE?

A claimant who voluntarily quits his last work without good cause connected with the work is subject to a disqualification of from one week to a maximum of twenty-six weeks. The number of weeks a claimant is disqualified depends upon the circumstances in each case. If a claimant is not disqualified for the maximum, he may file for any remaining benefits after the disqualification period has passed.

WHAT IS "VOLUNTARY" SEPARATION?

It's when a claimant terminates his work through his own choice and action. If forced to leave his last job for reasons beyond his control, he is considered to have left "involuntarily." Involuntary separations are not disqualifying.

WHAT IS "WITHOUT GOOD CAUSE CONNECTED WITH THE WORK"?

This means there were no valid reasons or conditions connected with the work that justified leaving a job. All personal reasons for quitting are reviewed to determine the degree of disqualification to be imposed. Thus, if there's a compelling personal reason for quitting, then a lesser disqualification will be assessed than if the reason is not considered to be a compelling one.

CAN A CLAIMANT WHO IS FIRED FROM HIS LAST WORK DRAW INSURANCE?

A claimant who is discharged from his last work for misconduct connected with the work is subject to a disqualification of from one week to the maximum of twenty-six weeks. The number of weeks the claimant is disqualified depends upon the circumstances in each case. If he is not disqualified for the maximum, he may file for any remaining benefits after the disqualification period has passed.

WHAT IS "MISCONDUCT"?

We use the same definition as found in American Jurisprudence. It is an act of wanton disregard of the employer's interests, a deliberate violation of his rules, or a disregard of standards of behavior which the employer has the right to expect of his employee. Also it's negligence in such degree or recurrence as to show an intentional and substantial disregard of the employee's duties and obligations to the employer.

CAN A CLAIMANT REFUSE WORK AND DRAW INSURANCE?

A claimant who fails without good cause to apply for suitable work when so directed by TEC or to accept suitable work when offered is subject to disqualification of from one to thirteen weeks. If any benefits remain after the disqualification is assesseed, the claimant may file for these benefits after the disqualification period has passed.

WHAT OTHER CONDITIONS PREVENT DRAWING UNEMPLOYMENT INSURANCE?

The law also provides a disqualification preventing the claimant from receiving unemployment insurance if his stoppage of work is because of a labor dispute where he was last employed. Other disqualifications and penalties are applied as a result of misrepresentation or fraud. Payment may also be delayed or reduced by the claimant's receipt of wages in lieu of notice, Old-Age Benefits (Social Security), Workmen's Compensation, wages from partial employment, and, under certain conditions, receipt of vacation pay or holiday pay.

CAN THESE DETERMINATIONS BE APPEALED?

If the claimant disagrees with the "Benefit Claim Determination" he has twelve (12) days from the date it was mailed in which to request a redetermination or appeal. This determination should be checked by the claimant to insure that the wages listed were earned by him. If wages are listed that do not belong to claimant, failure to disclose this fact may subject the claimant to penalties.

If a claimant receives a "Notice of Claim Determination," he has twelve (12) days from the date of the determination in which to file an appeal. If his last employer filed a timely protest to his initial claim, the employer also has twelve (12) days from the date of the determination in which to file an appeal. If no appeal is filed within this twelve-day period, then the decision becomes final and payment will be made or denied in accordance with the determination.

WHAT HAPPENS WHEN AN APPEAL IS FILED?

When an appeal is received from either a claimant or his employer, the Appeal Tribunal schedules a hearing and notifies all interested parties of the time and place. Testimony given in an appeal hearing is under oath and is recorded.

The appeals referee considers the record and testimony and renders a written decision. The decision includes the statement of the facts in issue, the applicable law, and the basis for the referee's decision. Copies are mailed to all interested parties. Further appeal may be made to the Commission within ten (10) days after the mailing of the Appeal Tribunal decision.

After the Commission has rendered its decision, further review may be requested within ten (10) days. After the Commission's decision has become final, appeal may be made to any court of competent jurisdiction in the county of the claimant's residence within the prescribed time limit: i.e., within ten (10) days after the Commission's decision has become final.

CLAIM CERTIFICATION

Each continued claim document requesting payment of unemployment insurance contains the following statement:

"YOUR RIGHTS TO BENEFITS DEPEND ON YOUR ANSWERS TO THESE QUESTIONS. FALSE STATEMENTS MADE TO OBTAIN OR INCREASE BENEFITS ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT. I CERTIFY I AM THE INDIVIDUAL NAMED ON THIS CLAIM AND MY ANSWERS ARE TRUE AND CORRECT."

Each claim must be completed correctly. Hours of work and gross wages earned during the period covered by the claim must be reported. The law provides for criminal prosecution and penalties for making a false statement or failure to disclose a material fact to obtain or increase unemployment insurance payments.

WHAT ABOUT PART-TIME WORK?

Although your ultimate goal, like that of the TEC, is to find you a full-time job, it will be to your advantage to accept part-time work. You may be eligible for job insurance payment in any week in which you are working less than full-time.

You may also be eligible for payments if you are working less than full-time for your REGULAR employer. If you are partially employed with your REGULAR employer you should consult a TEC representative about the procedure you should follow in filing a claim.

REMEMBER:

If you have worked during a period for which you are claiming unemployment insurance, **you must report your earnings** from such work whether you have been paid or not. Failure to correctly report these earnings is a violation of the law.

ABOUT FRAUDULENT CLAIMS:

Severe penalties are provided by law for persons found guilty of trying to obtain benefits to which they are not entitled. An individual who wilfully makes a false statement or representation, or knowingly fails to disclose a material fact in order to obtain unemployment insurance, not only faces disqualification, but also becomes liable for criminal prosecution. Conviction in court for fraud will forfeit your rights to payments for the "BENEFIT YEAR" during which the offense occurred, in addition to any other penalty that may be imposed by the court.

THE TEXAS EMPLOYMENT COMMISSION

Labor Legislation — ~~Unemployment Compensation~~

PROTECTIVE Leg

Unemployment Insurance Review

August 1965

This issue commemorates the 30th anniversary of the Unemployment Insurance Program.

It includes special articles by:

John J. Corson
Stanley H. Ruttenberg
Daniel H. Kruger
Elizabeth Wickenden

UNITED STATES DEPARTMENT OF LABOR MANPOWER ADMINISTRATION

This issue of the

Unemployment Insurance Review

is dedicated to the memory of

Frances Perkins

Secretary of Labor, 1933–1945

Unemployment Insurance Review

August 1965
Vol. 2 No. 8

U.S. DEPARTMENT OF LABOR
W. Willard Wirtz, Secretary

MANPOWER ADMINISTRATION
Stanley H. Ruttenberg, Administrator

BUREAU OF EMPLOYMENT SECURITY
Robert C. Goodwin, Administrator

UNEMPLOYMENT INSURANCE SERVICE
William U. Norwood, Jr., Director

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The *Unemployment Insurance Review* is published by the Unemployment Insurance Service of the Bureau of Employment Security with the cooperation of the State employment security agencies and is distributed without charge to personnel of the national and State employment security offices. It is also available on subscription at $3 a year (single copies 30 cents) from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. In countries other than the United States, Canada, and Mexico, annual subscription is $4.

Subscribers should remit directly to the Superintendent of Documents, U. S. Government Printing Office, Washington, D.C., 20402.

Communications regarding editorial matters should be addressed to *Unemployment Insurance Review*, Unemployment Insurance Service, Bureau of Employment Security, U.S. Department of Labor, Washington, D.C., 20210.

Opinions of authors not connected with the Bureau of Employment Security are their own and do not necessarily reflect the views of the *Unemployment Insurance Review* or of the Bureau of Employment Security.

Use of funds for printing this publication approved by the Director of the Bureau of the Budget, January 10, 1964.

Toward a more effective

Unemployment Insurance Program

A GENERATION of Americans has grown up in the three decades since President Franklin D. Roosevelt signed the Social Security Act which established the Federal-State unemployment insurance system. Today, the program is being examined to see how adequate it is to meet changing conditions.

Over the years, the unemployment insurance system has proved its worth as an economic stabilizer. It eased transitions from World War II and from the Korean conflict to peacetime enterprises. During the four postwar economic recessions, the orderly operation of the UI program and the prompt distribution of UI benefits to unemployed workers contributed significantly to their welfare, to public confidence, and to business stability. Today, the system is a recognized and vital element in the operation of the American economy.

The system's Federal-State character has been firmly established, and its basic goals remain essentially unchanged—to provide partial wage loss as a matter of right, with dignity and dispatch; to maintain purchasing power; to prevent an employer's labor force from dispersal; to maintain workers' skills; and to prevent a breakdown of labor standards. Conditions under which these goals are to be achieved, however, now challenge the system's ability to deal with them.

The UI system now has to serve a labor force of over 78 million; new occupations appear and old ones disappear; there are more white collar jobs than blue; and service workers outnumber those in other occupational categories.

In spite of the advancing economy, a growing number of workers—about 15 million—are still unprotected. They are employed in small firms, in State and local governments, and in other excluded industries and occupations. The standard of living has tripled since 1930, yet UI benefits compensate workers for only about one-third of their wage loss; in many instances, for only one-quarter or one-fifth.

Gaps in the program's coverage, benefit levels, duration, and ability to cope with extended unemployment and to meet the problem of income during training or retraining have weakened the program's effectiveness. Many State laws have been changed, but the changes proceed along established lines and reflect no basic change of direction or philosophy.

The program cannot rest upon a narrow idea of wage replacement. The concept of security entails more than protection against wage loss. A worker's security is not assured by income maintenance alone during layoff periods.

It may depend on his ability to adjust to changes. A man who loses his job today may be losing his lifetime skill or career. One and a half million workers a year exhaust their jobless benefits before finding, if they succeed, other jobs. And a worker's unemployment often means complete disruption of an employment relationship, so that his eventual return to work may well be with a different employer, in a different area, at a job requiring an entirely different skill.

We are living at a time when technological developments will bring innovations in our social and economic structure which at present seem inconceivable. These in turn will bring dramatic changes in the concepts, organization, and administration of our social insurance programs. The unemployment insurance system must fill a new and more creative role. To do so, weakness must be corrected.

Current history has set the stage for discussion of these current problems and issues: How does the changing economy affect the role of UI? How can we balance the need for more liberal benefits with the realities of a reasonable tax structure? How best can we adapt the program to job market changes and developments? What is the relationship between UI and an active manpower policy? What role can UI play in the war on poverty? And how can we reinforce the Federal-State relationship in UI?

The distinguished contributors to this special anniversary issue have reviewed the present system and focused attention on these questions. They have emphasized the need for changes to meet the challenges. As President Johnson said: "Improvements in our unemployment compensation system are essential if the program is to exert a stronger stabilizing effect on the economy and provide people with adequate income when out of work. The system has not kept pace with the times. . . . Now, when unemployment is lower than it has been for years, is the appropriate time to modernize the system so that it will better meet the needs of the workers, the community, and the Nation."

It is important for all to consider these views and to work toward improving the unemployment insurance program so that it may continue to serve well our Nation's goal for a greater society.

W. Willard Wirtz
Secretary of Labor

"Of course, unemployment insurance alone will not make unnecessary all relief for all people out of work for the entire period of a major economic depression, but it is my confident belief that such funds will, by maintaining the purchasing power of those temporarily out of work, act as a stabilizing device in our economic structure and as a method of retarding the rapid downward spiral curve and the onset of severe economic crises."

—*Franklin D. Roosevelt (March 23, 1934)*

"A strengthened unemployment insurance system not only will furnish more adequate aid to those who become unemployed, but also will do more to maintain the high volume of consumer purchasing power so necessary to the welfare of the entire economy. Thus it is a strong element in our program to support growth and expansion in the economy."

—*Harry S. Truman (April 6, 1950)*

"* * * further legislation is still needed. * * * This program has proved to be one of the most successful means for combining the interest of the economy as a whole with the interest of the individual worker."

—*Dwight D. Eisenhower (January 16, 1961)*

"I cannot emphasize too strongly the need and importance of strengthening our unemployment compensation system. These improvements will not only ease the burdens of involuntary unemployment, but will add to our built-in defenses against recession."

—*John F. Kennedy (May 14, 1963)*

"Improvements in our unemployment compensation system are essential if the program is to exert a stronger stabilizing effect on the economy and provide people with adequate income when out of work."

—*Lyndon B. Johnson (May 18, 1965)*

The Challenge of Changing Times

THE Federal-State system of unemployment insurance represented, in 1935, an experimental venture into an unexplored area of government activity by means of a unique intergovernmental arrangement. Guidelines and experience were lacking as to statutory provisions, administrative organization, or procedures best suited to the job. Nevertheless, the program got underway with little delay. By January 1939, all but two States had been collecting contributions for at least 2 years and were paying benefits; the remaining two States began benefit payments in July 1939.

For 30 years, unemployment insurance has been the major protection available to individuals and to the economy against the loss of wages and purchasing power arising from unemployment. Each year, millions of workers have used benefits to pay rent and buy groceries for themselves and their families. The billions of UI dollars thus spent have, in turn, been respent again and again, providing added purchasing power at the community level and helping to stop downward economic spirals.

Recognition of the program's value need not blind us to its shortcomings. It has made a great contribution, but it can make a greater one. Particularly in the light of the current commitment to combat poverty, we should be closing the gaps in UI protection and improving its administration.

It was, therefore, appropriate that the House Ways and Means Committee spent much of the 30th Anniversary month in public hearings on an administration proposal to strengthen and improve the Federal-State program of unemployment insurance for short-term unemployment, and to backstop that program with a Federal program for those of the long-term unemployed with substantial past employment.

As the national economy becomes more and more interrelated, unemployment becomes an increasingly complex problem; one aspect is the existence even in periods of high employment of a significant volume of unemployed workers with firmly demonstrated attachment to the labor force. In both human and economic terms, it is important that they be reabsorbed in productive activity with the least personal hardship and waste of skills. For many, however, reemployment will require personal and occupational adjustments.

Among the issues to be resolved by the Ways and Means Committee is whether the Federal Government should help in this adjustment by a program of extended duration of UI benefits. If the Committee believes there should be a program, it must decide what form it should take, particularly whether it is needed in "good times" as well as bad.

Another decision to be made by the Committee is whether the wide interstate variations in benefit adequacy and in taxes reflect the kind of interstate competition that the Federal act was originally designed to eliminate. The bill before the Congress is designed in part to make it easier for States to provide adequate benefits without having substantially higher employer taxes than those in competing States.

Other changes being considered by the Committee would eliminate some of the limitations on coverage, curb restrictions on payments to claimants who are jobseeking in another State, and soften the trend toward increasingly harsh disqualifications. Still others are aimed at encouraging qualifying requirements which represent a reasonable degree of past attachment to the labor force.

Those of us in the program know, probably better than anyone else, the importance of administration, especially claims determination and adjudication, in the successful working of a UI program. This aspect is recognized by the legislative proposal, which calls for steps to increase the supply of trained personnel and to improve the training of present staff.

Finally, the Committee is considering the advisability of providing for a continuing critical look at unemployment insurance in relation to the changing economy in which it operates, through a comprehensive and continuous program of research to evaluate the effectiveness of the system.

The experiment of 30 years ago has proven its worth. Now, on the basis of 30 years' experience, the program should be reviewed and revised to meet the needs of a changed economy.

ROBERT C. GOODWIN, *Administrator,*
Bureau of Employment Security

The Goals and Tasks Ahead

COMMEMORATIVE issues of magazines all too readily take on the aspects of memorials to past accomplishment. However, 30 years after passage of the Social Security Act initiated the American unemployment insurance system, we are not yet ready to treat unemployment insurance with the combination of respect and indifference that sometimes accompanies memorials.

We need a strong unemployment insurance system. Indeed, it may be argued that this need is even greater now than it was in 1935. Not only in number but also as a proportion of the labor force, many more people now depend on wages for their livelihood than in 1935. At the same time, the development of such characteristics of our economy as installment buying has made the worker's continuity of income more important than ever—for him and his family and also for the economy of the community.

We are a long way from the goal of a wholly adequate unemployment insurance system. The number of wage and salary workers protected by unemployment insurance has more than doubled in 30 years, but the number still lacking that protection—about 15 million wage and salary workers—is almost equal to the program's original coverage. The number of weeks for which benefits are now provided does not cover the full unemployment period of almost a third of the beneficiaries. The limitation on the maximum weekly benefit amount in most States results in failure to provide the insured unemployed worker with a wage-loss replacement equal to half his weekly wage. Universal coverage, benefit duration long enough to cover the temporary unemployment of insured workers, a weekly payment which replaces at least 50 percent of the wage loss of the great majority of insured workers during their unemployment—these are basic goals not yet accomplished.

Until these goals are attained, unemployment insurance must be improved so as to more effectively protect the workers and provide purchasing power to the community. Thirty years ago UI was presented to the people of the United States as our first line of defense against the problems of unemployment. In 1964, only 40 percent of those unemployed in the United States were receiving UI benefits. The 60 percent of unemployed workers not entitled to UI benefits could reasonably suggest that unemployment insurance was a weak "first line of defense."

Unemployment insurance should not be expected to meet the needs of all the unemployed. For example, it does not seem well suited to deal with the self-employed nor does it readily lend itself to meeting the problems of unemployed labor-force entrants. At this point, however, the unfinished agenda of unemployment insurance appropriately includes extending its protection to all wage and salary workers.

Although these still missing program dimensions may loom largest in public discussions of UI, they are only part of the agenda. Unemployment insurance has added considerably to the Nation's economic intelligence, but there remains a great deal that we do not know about the work force, the unemployed, and even the operation of a UI system. The vast changes that have taken place in labor-force patterns, in the economy as a whole, and in unemployment insurance itself have brought a multitude of new problems, relating not only to program content but also to financial and administrative management. For unemployment insurance personnel, their net effect should be anything but complacency. At every level of operation, the challenges to the staff are substantial. They run the gamut—from the apparently simple problem of courtesy to claimants to the complexities of legal interpretation and case adjudication, from scheduling claims reporting to programming for electronic data processing, from making individual benefit computations to devising adequate tax structures. Yet these few examples do little more than illustrate some of the day-to-day urgencies of the task.

Recognizing the seriousness and importance of the work to be done points up the crucial significance of the quality and character of the staff that has to do the job. At the 30-year mark, it is natural to think in terms of generations. In UI circles, comparisons are often drawn and contrasts made between the "old timers" of the program's earliest days and the staff members who have joined the system in recent years—often to the disparagement of the latter group.

It is true that the UI staffs of the late thirties and early forties were, in a very real sense, the products of the same economic and social forces that produced the American UI system. Almost all of them had a close familiarity with the social and economic effects of large-scale unemployment. They knew, from their own experience, or from friends and relatives, what being out of a job means to a worker who depends on wages for his livelihood. As a result, they identified themselves with unemployment insurance as a cause, often worked long hours, and tended to approach their work with zeal and devotion.

Most of the new generation of UI staff have no such personal experience in their background. This does not mean that the young man or young woman who joined the local office staff last year is unaware of economic crises or is unfamiliar with the insecurity of workers who bear the risk inherent in our economic system. What it does mean is that the newer staff member is less likely to start with a preconceived commitment to unemployment insurance as a basic solution to the problems of unemployment; he is more likely to examine it objectively and to compare it with other available approaches. He is more apt to question the program's basic assumptions, both as to content and method, and to be concerned with the question of how the UI system is to be coordinated with other programs dealing with unemployment. To meet today's problems, these values are as much needed and desired as the zeal and dedication of the "old timers."

The future success of the program depends upon the extent to which we can accept the necessity of change in response to today's problems and challenges while still preserving the basic principles upon which the program was founded. This is the demanding and exciting task ahead.

WILLIAM U. NORWOOD, Jr., *Director,*
Unemployment Insurance Service

Members of the first Social Security Board, created in August 1935: (left to right) Arthur J. Altmeyer, John G. Winant (Chairman), and Vincent M. Miles.

Directors of the Federal-State Unemployment Insurance Program

R. Gordon Wagenet
1935–40, 1946–53, 1956–60

Ewan Clague
1940–41, 1943–46

John J. Corson
1941–43

John Morrison
1953–54

Forest L. Miller
1955–56, 1960–62

William U. Norwood, Jr.
February 1962–

Unemployment Insurance: An Appraisal 30 Years After Establishment

John J. Corson *

THIRTY years have elapsed since that hot August day on which President Roosevelt signed the Social Security Act and, thus, established this country's unemployment insurance system. To what extent, in 1965, does this system meet or fall short of the expectations that were born with its establishment?

The nature of this Federal-State system was outlined by President Roosevelt in a message to the Congress on January 17, 1935. When transmitting the report of the Committee on Economic Security, he said:

> * * * I have concluded that the most practical proposal for unemployment compensation is the levy of a uniform Federal payroll tax, 90 percent of which should be allowed as an offset to employers contributing under a compulsory State unemployment compensation act. The purpose of this is to afford a requirement of a reasonably uniform character for all States cooperating with the Federal Government and to promote and encourage the passage of unemployment compensation laws in the States. The 10 percent not thus offset should be used to cover the costs of Federal and State administration of this broad system. Thus, States will largely administer unemployment compensation, assisted and guided by the Federal Government. An unemployment compensation system should be constructed in such a way as to afford every practicable aid and incentive toward the larger purpose of employment stabilization. This can be helped by the intelligent planning of both public and private employment. It also can be helped by correlating the system with public employment so that a person who has exhausted his benefits may be eligible for some form of public work as is recommended in this report. Moreover, in order to encourage the stabilization of private employment, Federal legislation should not foreclose the States from establishing means for inducing industries to afford an even greater stabilization of employment.

The elements of the Federal-State unemployment insurance system that were enacted by the Congress are enumerated in the first half of the foregoing paragraph. The roots of the extensive adoption of employer merit rating are found in the last sentence (and of course in the Report of the Committee on Economic Security to which the President referred). Only the "intelligent planning of both public and private employment" and the correlation of "the system with public employment" for workers who have exhausted benefits remain lacking after three decades.

Legislative Action Federal and State

Titles III and IX of the Social Security Act, as enacted in 1935, covered only those employers who had eight or more employees in each of 20 weeks within a calendar year. It exempted agricultural labor, domestic service, and family employment because it was deemed to be adminstratively impracticable to include them. Moreover, the powerful organizations of farm employers simply did not want them covered. State and local government employees were exempted because they were beyond the Federal Government's taxing power. For other reasons the employees of employers operating in the navigable waters of the United States and the employees of nonprofit organizations were excluded.

By July 1937, all of the then 48 States, the District of Columbia, Hawaii, and Alaska, had unemployment insurance laws on their books. Most of these laws followed closely the pattern of coverage suggested to them by the Federal law. In 31 of these 51 laws, the employees of employers of 8 or more were covered. Twenty States provided for broader coverage; 10 States covered all employees in establishments with 1 or more employees. The aggregate result was that, in 1938, about 20 million workers were protected by unemployment insurance—a little more than a third of the civilian labor force.

*Dr. Corson is with the Woodrow Wilson School of Public and International Affairs, Princeton University. He served as director of the Bureau of Employment Security from 1941 through 1943 and as chairman of the President's Task Force on Income Maintenance in 1964.

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All but two States (Michigan, $16; and Wyoming, $18) started with maximum basic weekly benefit amounts of $15, as recommended by the Committee on Economic Security. In setting the formulas for benefit duration, however, most States went a little beyond the Committee's recommendations. In four States (Alabama, California, Idaho, and Rhode Island) benefits were payable for as long as 20 weeks. Five other States provided for 10 to 11 weeks of extended benefits (the District of Columbia, Louisiana, Massachusetts, Mississippi, and South Carolina).

In the context of the late 1930's, a period of deep depression, the system that was established was a daring and controversial venture. It was daring in the light of the volume of unemployment then on hand and the volume that might be expected. It was controversial in that the very obligation of the employer to provide for his employees when he laid them off was being established for the first time. And it was controversial in that it chose one set of mechanisms, to create unemployment insurance, from among several—unemployment reserves, employee contributions, governmental contributions, extended benefits, and others—over which debate raged.

"It is our conviction," the Committee on Economic Security wrote, "that these controversies have developed largely because there has been no action and, therefore, no practical experience * * * Further investigations and other devices for delay will merely enhance the negative character of the debate. What is needed at this stage is demonstration, not further debate and research."

Consistent with this empirical approach, great latitude was given to the States in framing their unemployment compensation laws within the requirements of the Social Security Act. It was reasoned, and hoped, that the States would become separate laboratories in which experiments in unemployment insurance would be conducted. Thus, Americans might develop unemployment insurance schemes that would increasingly meet what we now recognize, better than in 1935, as the gnawing and persistent problem of an industrial society.

Evolution of Federal Legislation

During the 30 years that have ensued, State freedom of action on unemployment insurance has, if anything, been increased. Since 1939, when adoption of a personnel merit system was added as a condition for Federal administrative grants, no Federal legislation has been adopted that restricts the freedom originally given to the States by the Social Security Act. On the other hand, the Federal law was amended in 1950 to restrict somewhat the authority of the Secretary of Labor to find that a State unemployment insurance law fails to meet Federal standards for administrative grants and for employers' tax offsets.

A few Federal amendments have increased the scope of unemployment insurance. In 1946, the Federal unemployment tax was extended to maritime service and the States were permitted to cover the crews of American vessels. In 1954, the Social Security Act was amended to provide Federal unemployment benefits for Federal civilian employees (UCFE) with the aid of and through State employment security agencies. Similarly, unemployment benefits were extended in 1958 to ex-servicemen (UCX).

In 1954, the Federal unemployment tax coverage was extended to include firms employing four or more workers. The States followed suit. On January 1, 1956, 28 States covered employers of four or more, 4 States covered employers of three or more, 1 State covered employers of two or more, and 18 covered employers of one or more.

Since 1956, there have been few additional changes. Twenty-one States now cover employers of one or more persons. Michigan, which extended its coverage in 1965 to include employers of one or more, is the fourth State in 20 years to be added to this category.

The program's initial coverage of 20 million has much more than doubled. Average monthly employment covered by unemployment insurance now numbers over 48 million. Noncovered employment, however, totals 15 million.

	Noncovered employment (millions)
Small firms	1.8
Agriculture and farm processing	1.9
Nonprofit organizations	1.7
Domestic service	2.6
State and local government	6.8
Other	0.3

Our review suggests that since the passage of the Social Security Act the primary influence of Federal legislation has been to induce some expansion of unemployment insurance coverage. There is, however, one additional and notable Federal effort.

President Franklin D. Roosevelt signing the Social Security Act, August 14, 1935. Titles III and IX of this act provided the basic framework for the Federal-State unemployment insurance program.

Five Federal unemployment benefit programs, all temporary, have been launched since 1944. Three were war products: Servicemen's Readjustment Allowances, provided to unemployed World War II veterans by the 1944 GI Bill of Rights; Reconversion Unemployment Benefits for Seamen, enacted in 1946 for the unemployed members of the World War II Merchant Marine; and Unemployment Compensation for Veterans, adopted in 1952 for unemployed Korean War veterans.

The remaining two temporary Federal programs were recession products. The 1958 Temporary Unemployment Compensation Act gave States a choice whether or not to elect the extended benefits for their exhaustees, and required States that elected such participation to repay the cost to the Federal Government. The 1961 Temporary Extended Unemployment Compensation Act offered the States no choice; it was applicable throughout the United States and was financed by a temporary increase in the Federal unemployment tax rate.

However one evaluates the impact of these temporary programs on the Federal-State partnership in unemployment insurance, it seems clear that through them (a) this country has recognized that the Federal Government has an obligation to pay unemployment benefits under certain circumstances, and (b) we have devised a means of meeting that obligation.

The five programs have differed substantially in specific purposes and provisions. All five have

illustrated, and the permanent UCFE and UCX programs continue to demonstrate, the practicality of the use of the States as the Federal Government's agents in administering such benefits. In general, both the temporary and the permanent programs have tended to make the State law's terms and conditions of benefit payment apply to the Federal beneficiaries; this has kept the protection afforded below desirable standards but has been an inevitable and practical consequence of the Federal-State partnership.

The two temporary Federal extended benefits programs have also stimulated State legislation in a few States to provide "triggered" programs of extended benefits. In California, Connecticut, Hawaii, Idaho, Illinois, North Carolina, Pennsylvania, Puerto Rico, and Vermont, additional weeks of benefits may be paid when unemployment reaches a prescribed level.

Evolution of State Legislation

In all other respects, however, the progress of unemployment insurance since the Social Security Act was passed must be measured by State legislation that does not derive from Federal enactments.

Duration of benefits.—During the years 1935–65, the greatest improvement made in the protection afforded by unemployment insurance has been in the extension of the number of weeks for which benefits would be available.

By the end of 1945, 21 States provided benefits for as long as 20 weeks. Eleven States provided for greater duration, including 5 States whose maximum was 26 weeks of benefits.

Ten years later, only 3 States provided a maximum duration of as little as 16 weeks; 26 States had maximums of 26 weeks; and 1 State had a 30-week maximum.

As of today, only Puerto Rico has a maximum duration of as little as 12 weeks. South Carolina's and South Dakota's maximums are 22 and 24 weeks, respectively. The remainder of the States have maximum durations of 26 weeks or more. The longest maximum duration is Oklahoma's 39 weeks.

Maximum durations available under a State law do not of themselves tell the whole story. In most States, duration of benefit entitlement varies, depending on the worker's base-period wages. Some States, however, have uniform duration for all eligible claimants. Starting with only 1 State (Ohio) in 1937, the number of States with uniform duration grew to 16 by 1945 but has been declining slowly ever since. At present, only 8 States provide uniform duration and, with the exception of Puerto Rico, in each case it is 26 weeks.

Despite the decline of uniform duration provisions, the average potential duration of eligible claimants has risen with the increase in the duration maximums provided by law. This potential was 19.8 weeks in 1946, and 24.2 weeks in 1964. Yet this has not been enough to cover the length of unemployment experienced by substantial numbers of claimants.

There have been only 6 years since 1945 in which fewer than a fourth of all unemployment beneficiaries exhausted their benefit entitlement—1951–53, 1956–57, and 1964. In no year during this period did the ratio of exhaustees go below a fifth of all beneficiaries. In 5 years—1946–47, 1950, 1958, and 1961—more than 30 percent of beneficiaries used up their benefits before finding a job. In short, the protection that is available simply is not sufficient for at least 9 to 10 percent of the unemployed.

Benefit amounts.—The maximum weekly benefit amount paid at the outset of the program (usually $15) was over 50 percent of the average weekly wage in covered employment in every State but Alaska. In 22 States, these 1939 State maximums were more than two-thirds of the State's average weekly wage. Since then, the States have failed to raise their maximum weekly benefit amounts high enough and fast enough to keep pace with the average weekly wages in covered employment.

Only eight States in 1949, and only nine in 1959, paid basic weekly maximum benefits as great as half the State's average weekly wage. The 1959 figure included six States that had abandoned a flat dollar maximum in favor of a regularly computed percentage (usually 50 percent) of the State's average weekly wage in covered employment. By 1965, an additional 10 States had modified their laws to include such provisions, including four States which had amended their laws only this year.

Notably, the States whose laws provide for these "variable maximums" are small or medium-size States; altogether they account for less than 12 percent of the covered workers. In more than two-thirds of the States, the basic maximum weekly benefit amount continues to be less than half of the State's average weekly wage. In 17 States, the

maximum is less than 40 percent of the State's average wage.

Labor-force attachment.—The original unemployment insurance system was designed for individuals who had had steady jobs prior to becoming unemployed. Early in the unemployment insurance program, most States either adopted flat dollar requirements of the wages needed to qualify for benefits, or used formulas based on the individual's wages in his highest calendar quarter of earnings. Efforts to update such requirements have tended to lag behind increases in wage levels. As of the beginning of 1965, 13 States had restated their qualifying requirements in terms of a specified number of weeks of employment, but of the remaining 39 States the median State had a minimum qualifying requirement of only $375 in base-period wages.[1]

Consequently, there has been a proliferation of special "class" disqualifications (including, for example, students, pregnant women, and pensioners) designed to root out of the system beneficiaries of doubtful labor-force attachment. These special "class" disqualifications have, in turn, resulted in a tendency toward mechanical classification of claimants instead of the claims examiner carefully scrutinizing each and every claimant's availability for work.

Financing.—When the Social Security Act was passed, the Federal unemployment tax applied to total payroll for covered employment. In 1939, the Federal taxable wage base was reduced to the first $3,000 paid to a covered worker. The States adopted this change and it made little practical difference because the $3,000 taxable wage base then represented 98 percent of all wages in covered employment. Since 1939, average weekly wages in covered employment have gone up from $26.15 to a 1964 level of $106.48. The Federal taxable wage base has, however, remained at $3,000 and now represents only 54 percent of all covered wages.

Twenty States have raised their taxable wage bases above $3,000. But the wage bases of most States still remain below $4,000. Thus they are taxing less than 70 percent of total covered wages.

The significance of these figures is that high-wage employers pay a substantially smaller percentage of payroll in unemployment insurance taxes than do low-wage employers. With a $3,000 tax wage base, an employer with a 2-percent tax rate pays an actual 2 percent of payroll if each of his workers is paid $3,000 in annual wages. But with annual wages of $6,000 for each of his employees, his 2-percent tax rate becomes only 1 percent of his payroll.

[1] Editor's Note: For purposes of unemployment insurance program operations, the District of Columbia and Puerto Rico are counted as States.

A Look Ahead

What have we learned in 30 years' experience with unemployment insurance?

One fact that was not faced in 1935 has become increasingly apparent, namely, that there are three groups of unemployed: The "beginners" (18–25), who possess little or no experience and no accumulated rights under unemployment insurance; the "regulars," those employed more or less regularly over a period of years, for whom the existing UI system was designed; and the "long termers," many of them older workers and most of whom have been displaced by technological advance and occupational obsolescence.

Second, we have learned, as a people, that unemployment insurance is just as essential to the American way of life in the urbanized industrial society in which we now live as is the community hospital or the fire department. The need for continued availability of benefits for the unemployed and additional purchasing power in times of recession is now fully accepted.

Third, the sharing of responsibility for the financing and administration of this institution between the Federal and State Governments is an accepted fact. There will be changes as they may be required to broaden the protection and render more effective the operation of the system. And if the States will not persistently improve the protection afforded, there will be pressure for more Federal action.

But there is no apparent reason to expect that there will be efforts to abandon the Federal-State partnership in operating the American unemployment insurance system.

Fourth, we have learned that the existing system can and should be strengthened in these ways:

A total of about 5.4 million employees of small firms, nonprofit organizations, and farm workers employed by large agricultural establishments should be covered by the State unemployment insurance laws. In addition, there is no logical reason that justifies the States continuing to exclude State and local government workers.

The Federal Bureau of Employment Security should set standards to assure that individual claimants receive

benefits approximating half their weekly wages, at least up to a maximum benefit of two-thirds of a State's average weekly wage. Employers in States not meeting such requirements should not receive a full Federal tax credit.

Standards should also be established as to qualifying requirements for benefits. These will best be stated in terms of weeks of employment rather than dollar wage requirements. Such standards will furnish a basis for reversing the long-term trend of trying to police benefit eligibility by relying on harsh and unreasonable disqualifications and neglecting scrupulous application of the availability for work requirements.

A system of Federal unemployment benefits should be established. For the "long termers" who have exhausted State benefit rights, benefits should be available for an additional period of weeks under a permanent federally financed program. Benefits should be paid only to individuals with a long attachment to the labor force and to those who agree to receive counseling and, where appropriate, to take training.

The tax base for unemployment insurance taxes should be raised. In 1939, the coverage of the first $3,000 represented the coverage of 90 percent or more of all wages paid to covered workers. If the wage base were now raised to $5,600 it would cover 80 percent of covered wages. The wage base should be raised at least to that level, and preferably to $6,600 or $7,200.

The Federal tax rate should be increased to provide funds to meet the costs of increased benefits and increased administrative costs. The increase required would not be great, perhaps half a percent. This cost would best be borne by employers, by the workers themselves, and by the entire taxpaying public.

These improvements in the Federal-State system will enable it to meet much more adequately the needs of the relatively regularly employed workers when they become unemployed. The provision of extended Federal unemployment benefits will help to meet the need of the "long termers." But in the light of today's needs, there is lacking the correlated system of "public employment" that was originally envisioned 30 years ago.

Unemployment Insurance in Our Economy

Stanley H. Ruttenberg *

THE American unemployment insurance system was initiated in the midthirties when the Great Depression distressingly revealed the grave risks for wage earners of being dependent upon a job in a market-oriented economy. The depression pointed to the need for effective social programs to lessen the burdens of unemployed workers. Unemployment insurance was designed to help deal with the loss of income that individual workers and their families face as a result of temporary unemployment. It was recognized that for these workers the problems resulting from such a loss could be catastrophic, even if there were little unemployment throughout the Nation as a whole.

Unemployment insurance helps unemployed people maintain their dignity and self respect. Benefits paid to unemployed workers from an insurance fund and as a matter of right help to protect them and their families from the embarrassment of seeking welfare or charity. Without any income during unemployment many workers would be in dire need. The fact that unemployment benefits are available provides a measure of security to unemployed workers and also to employed workers who often wonder what they would do should unemployment strike them. Unemployment insurance makes it possible for unemployed workers to look around for jobs suited to their training and experience rather than take the first jobs available.

Although the basic purpose of unemployment insurance is to provide insured unemployed workers with a partial compensation of wage loss during periods of involuntary unemployment, in so doing it also plays a significant role in our economy. That this article concentrates on the economic aspects of unemployment insurance reflects no intent to minimize this basic program mission.

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Some indication of the magnitude of unemployment insurance in the economy is given by the following data. In 1964, aggregate UI tax collections (including reimbursements to the States for benefits paid to unemployed Federal employees and ex-servicemen) amounted to $3.2 billion. During the same period, $2.7 billion in benefits was paid to 5.8 million beneficiaries under the State and Federal programs. The growth of tax collections and benefit disbursements over the years reflects the continued expansion of the economy and improvements made in the UI program. From 1936 to May 31, 1965, $41.9 billion in contributions was collected under the State programs alone, and $38.7 billion was paid in benefits. Although unemployment compensation plays a significant role in tiding workers over periods of unemployment, the existence of the program has important effects on the economic system; in turn, developments in the economy help determine the role of unemployment insurance.

How UI Affects the Economy

Maintenance of purchasing power.—One clear effect of UI is that it helps to sustain purchasing power in local economies and in the economy as a whole. The UI system provides the vehicle through which the funds set aside when workers are employed are used to provide income when they become unemployed. This redistribution of income has an immediate positive effect on the economy. Since benefits paid are used as intended—to meet current and basic living expenses—they have an impact on the economy exceeding the amount paid. Very little or none of this income is retained as savings. Benefit checks are cashed and spent immediately. This flow of income into the economy induces further spending which helps stabilize consumer income and, in turn, the economy as a whole.

Economists often refer to UI as a "built-in" economic stabilizer, and it is recognized that, as such, it generates economic effects that tend to counteract prevailing tendencies in the business cycle, especially during the downturn and recovery stages. The built-in feature of the UI system means that it responds automatically to changing economic conditions and does not rely upon the use of discretionary powers. It should be pointed out, however, that UI is what it was designed to be—insurance. Stabilization is one important byproduct of the primary purpose of providing protection to workers against the specific risk of unemployment.

The effectiveness with which UI can operate as a counter cyclical device, or, to quote Prof. Paul A. Samuelson of the Massachusetts Institute of Technology, "lean against the prevailing economic winds" is directly related to changes that occur in the level of income and to the way in which income levels are affected by changes in total contributions and benefits paid. The higher the proportion of income levels the taxes and benefits are, when collected and when paid, the greater the effects of the UI system on different stages of the business cycle.

The automatic feature of the UI system is inherent in the payment of benefits to eligible unemployed workers. As a result, soon after unemployment occurs income is automatically released into the Nation's income stream, offsetting in part that which is lost because of unemployment. This valve is shut off when workers are reemployed or no longer draw benefits.

A further indication of the potential and effectiveness of UI as an anti-cyclical device is demonstrated by the role it played during recent recessions to help restore prosperity. During 1961, a recession year, a total of $4.4 billion in State or Federal UI benefits was poured into the economic stream, of which $567 million was in Federal extended benefits. In 1962, a more prosperous year, the total of all benefits paid declined to $3.1 billion. In 1958, another recession year, a total of $4.2 billion in all benefits was paid, of which $398 million came from temporary extended benefit programs compared with the 1957 total of $1.7 billion paid in benefits under State programs alone. The responsiveness of unemployment insurance to changing economic conditions is shown by the fact that, in the recession years 1958 and 1961, UI payments were as high as 19.9 percent and 15.7 percent, respectively, of all social insurance and related payments—but were down to 11.0 percent in 1957 and 10.8 percent in 1962, when economic conditions were more prosperous.

The effectiveness of UI in combating declines in economic activity is directly related to the adequacy of benefits paid or to the amount of wage loss replaced—indicated by comparing benefits paid with previous earnings of eligible unemployed workers. During recession year 1961, average weekly benefits paid amounted to 36 per-

cent of average weekly wages in covered employment. If the average wages of beneficiaries were the same as the average wages of covered workers, then, during a week of unemployment when benefits were paid, slightly over one-third of the lost wages of eligible covered workers were replaced by UI benefits. However, Professor Lester of Princeton University concludes that, on the average, benefits paid during the period 1948–61 were only about 20 percent of wage and salary losses from total unemployment.[1] In any event, benefits paid to insured workers are a smaller percentage of previous earnings now than they were in earlier years. In 1939, benefits replaced 41 percent of wages in covered unemployment.

The full effects of unemployment insurance in offsetting declines in economic activity go somewhat beyond the dollar value of benfits paid to unemployed workers or their multiplying economic effects. By helping to sustain workers while they are unemployed and seeking work at their already attained wage levels and generally to maintain purchasing power and consumer demand, UI also helps sustain wage rates.

Labor-use effect.—The conditions under which unemployed workers become eligible for benefits generate effects that have significance for the economic system. The "able and available" and "registration for work" requirements of the State laws and the fact that the benefit amount is usually no more than 50 percent of a worker's usual earnings (and frequently less) combine to help assure the worker's continued interest in seeking employment. The "suitable work" provisions also help preserve the productivity of the labor force by making it unnecessary for unemployed workers to abandon their job skills by accepting work at lower ability and wage levels.

Economic decision making.—The existence of UI can be a factor in economic decision making. Employers who are mindful of the effects of layoffs on their unemployment insurance costs take these costs into consideration when deciding upon whether to retain or to furlough workers. Such costs then can be a factor in stimulating employers to seek ways and means of leveling out labor requirements. On the other hand, some employers see an advantage that UI, along with other fringe benefits, offers in maintaining a trained and experienced local labor force and for that reason look favorably upon the payment of benefits to workers who might otherwise decide to look for work in another job market area. In the minds of these employers, the cost of unemployment insurance must be weighed against the cost of recruiting and training new workers.

UI also affects the decisions of workers as consumers. The protection UI provides against complete wage loss during unemployment is a source of confidence to employed workers. The strength of consumer credit and installment buying depend upon continuity of worker income. Decisions on whether or not to change jobs or to seek employment in another State may often depend upon workers' eligibility for UI benefits. To these considerations is added the measure of confidence businessmen gain from the contribution that UI makes in helping to maintain effective consumer demand.

UI has also come to play a role in the economic decision making of Government. UI taxes are a necessary part of the cost included in bids on Government contracts. Decisions to cancel a Government contract or to close a military establishment are now made against a background of knowledge that UI benefits are available to help cushion worker adjustments.

How the Economy Affects UI

Coverage.—Changes in the economy give rise to trends in the labor force which affect the number and kinds of workers with UI protection. The growth in the working population results in an automatic increase in the number of employees whose employers are subject to the coverage provisions of the UI laws. Some of the increase in covered employment is attributable to amendments to the laws increasing the number of employers subject to the tax. These factors account for the increase in coverage from 21 million wage and salary workers in 1938 to 48.4 million in 1963.

Labor-force attachment.—Eligibility for unemployment compensation is based upon recent work and wages in covered employment that provide evidence of sufficient labor-force attachment to justify the payment of benefits. Changes in the composition of the labor force and changes in job requirements are significant for UI in that they magnify the difficult problem of determining who should receive benefits and for what period of time. For example, the problem of testing the

[1] Richard A. Lester, *The Economics of Unemployment Compensation* (Princeton, N.J., Princeton University Press, 1962), p. 13.

availability of older workers is now important, but becomes more difficult as technological changes make their job skills obsolete. Changing economic conditions are reflected in the numbers of disqualifications from benefits that are made. In periods when jobs are plentiful, disqualifications are likely to increase and be more severe than when jobs are scarce.

Financing.—Economic conditions affect the cost of financing UI. The three basic benefit cost components—the average weekly benefit amount, the volume of compensated benefit claims, and the average duration for which benefits are paid—are all direct responses to economic conditions. Weekly benefit amounts received by unemployed workers are wage-related and are influenced by developments in the economy that affect wages. Their averages reflect not only State benefit formulas but also the mix of high- and low-wage claimants. The number of new insured claims and the average duration for which benefits are paid mirror the length and depth of unemployment among insured workers.

A claimant's unemployment insurance weekly benefit amount is generally based upon his total earnings in covered employment, but the employer's contributions to finance the payment of benefits are based upon only a legally taxable portion of his total payroll. Since the latter is a fixed dollar figure in every State but Hawaii, the result is that in an expanding economy the gap widens between rising wage levels and the taxable wage base.

Payroll tax financing of UI has led to some concern whether improvements that would require increased taxes might contribute to a "fiscal drag" in that they might divert money that could be used by private industry for economic growth. Appreciation of the magnitude of the problems involved is helpful in reaching a realistic appraisal of such fears. In 1964, Federal and State unemployment taxes represented less than 1.5 percent of total payrolls in covered employment. Program improvements currently in view could increase the unemployment tax total to a figure somewhat under 2.0 percent of total covered payrolls. In 1964, benefits paid were more than two-thirds of the total Federal and State unemployment taxes. Even assuming, at the 2.0 percent tax level, that benefits paid equaled only 60 percent of taxes, the result would be an increase of only 0.3 percent of total payroll (in a year like 1964) in the excess of taxes over benefits. This would seem, at most, a very minor impact on fiscal drag.

Also, it should be recognized that the fiscal-drag concept has implications that money raised in taxes is "removed" from the economy and diverted so that it cannot stimulate economic expansion. To the extent that unemployment taxes are promptly expended as benefits, obviously this is not the case since, as pointed out, benefits are immediately spent by unemployed workers to meet their family needs. The excess of unemployment taxes over benefits that result in prosperous years, however, does not result in sterile money either. That excess is deposited in trust accounts which are invested in Treasury bonds and thus find their way rapidly into Federal expenditures for goods and services. These, too, may have a sustaining, if not a stimulating, effect on the economy.

Weekly benefit amount.—Increased prosperity and rising wages and living standards affect the weekly benefit amount. The problem posed for UI as a result of these trends is the extent to which higher wages paid to workers should be reflected in the amount of benefits they receive when unemployed without affecting their incentive to seek work. In reality, this deals with the role of UI in helping to maintain living standards of unemployed workers.

The benefits unemployed workers receive are determined by the wages they earned while they were employed and reflect increases in productivity or prosperity to the extent that increased prosperity is reflected in the amount of wages paid. However, because benefits paid to unemployed workers are based upon a wage-related scale with legally prescribed minimums and maximums, the effect is that very low paid workers receive a higher proportion of wage loss compensation than higher paid workers. Developments in the economy point to the need for a method of calculating maximum benefits for the unemployed that will ensure more nearly adequate benefits for all claimants—with greater equity for higher paid workers—and one that will permit the rising prosperity of the economic system to be reflected in the amount of income that unemployed workers receive.

Duration.—UI is intended to provide income through a temporary period of unemployment. This has usually been interpreted to mean a duration sufficient to enable the great majority of insured workers to find suitable work before ex-

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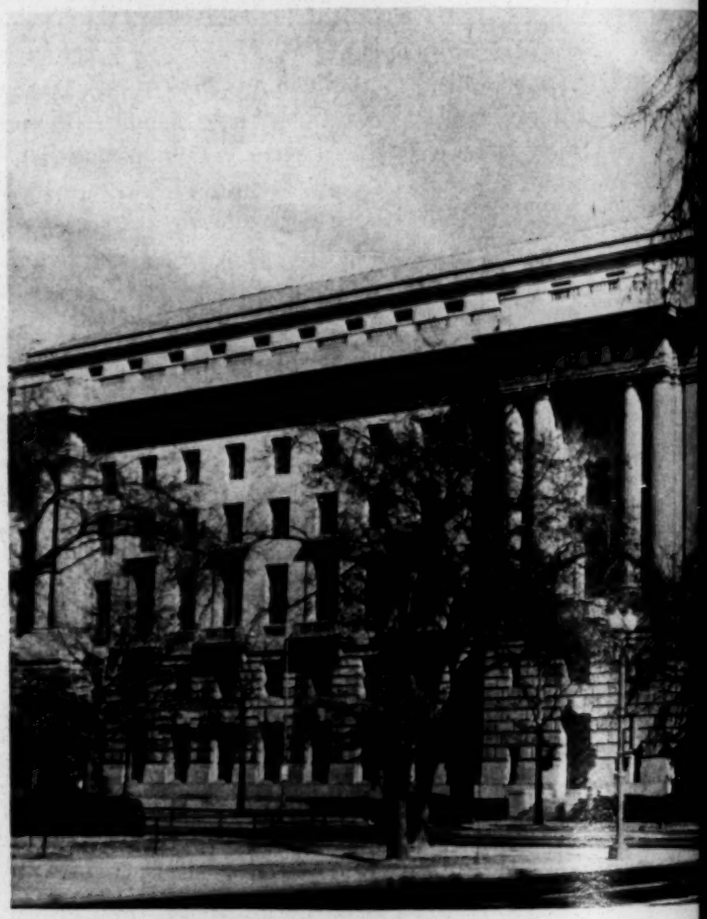
Secretaries

William B. Wilson
1913–21



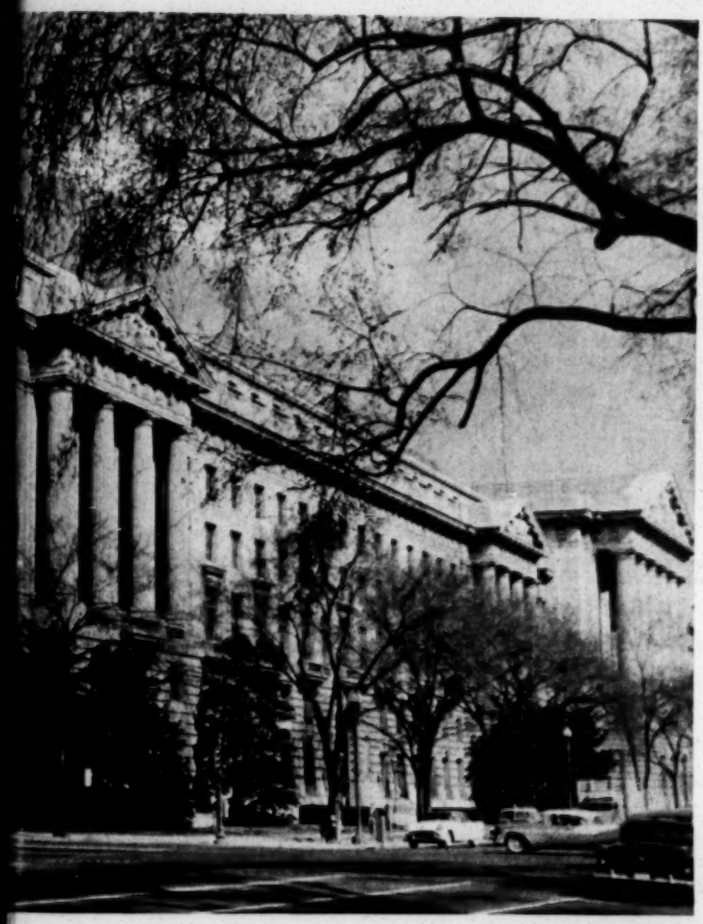
James J. Davis
1921–30

William N. Doak
1930–33

Frances Perkins
1933–45

Lewis B. Schwellenbach
1945–48

# of Labor



W. Willard Wirtz
1962–

Arthur J. Goldberg
1961–62

Maurice J. Tobin
1948–53

Martin P. Durkin
1953

James P. Mitchell
1953–61

hausting their benefit rights. Economic conditions affect the adequacy of duration provisions or the length of the period of unemployement during which some form of income maintenance is required. The average number of weeks of unemployment compensation paid is shorter during periods of normal economic activity than in periods of economic decline. In the past, concern for workers who exhausted their regular unemployment benefits during recessions resulted in the establishment of two Federal temporary programs which extended benefits for them. Some State laws now have provisions for extending benefits when unemployment rates reach certain percentages in their States.

The long-term unemployed.—Developments in the economy are now producing a large number of workers who remain unemployed for extended periods of time. Since World War II, despite improvements in the benefit duration provisions of State laws, the annual percentages of beneficiaries who exhaust their benefits before they are reemployed have shown this to be a growing problem. After each of the post-World War II recessions these percentages have dropped, but they recede more and more slowly and to higher residual levels. In 1964, over 1.4 million beneficiaries exhausted their benefits.

It seems clear that the fundamental economic changes reflected in this increasingly significant problem present a different set of premises for UI from those upon which it has been based up to now. Very long-term unemployment—more than 26 weeks—can hardly be considered an abnormal and recession-related phenomenon when almost one out of every four unemployment beneficiaries use up their benefits in a prosperous year like 1964.

It would appear that extension of UI to cover unemployment beyond 26 weeks must be seriously considered. In doing so, account must be taken of the known difficulties of establishing the continued labor-force attachment of many of the very long-term unemployed. Similarly, greater emphasis must be expected, in such extensions, on positive steps that go beyond income maintenance and are more aggressively directed toward assuring the employment of the long-term unemployed.

The increased emphasis on manpower programs designed to assist the long-term unemployed, and others who experience difficulty in the job market, has resulted in a question as to what role UI should play in an active manpower policy. Some have asked rather pointedly whether the UI program, with its wage-loss replacement feature, actually serves as a disincentive for persons in the labor force. In many respects, the question as to the role of the UI program in an active manpower policy turns on the matter of philosophy as to the concept of what unemployment insurance is or what risk of unemployment was intended to be covered in setting up the system. Sound policy would appear to require that the UI program actively assist the Nation's manpower goals by encouraging those UI claimants who lack skills or whose skills are obsolescent to undergo required training. Yet to date only 22 States have amended their laws to pay UI benefits to claimants enrolled in State-approved training or retraining courses. Until all States permit such claimants to continue drawing benefits while in training, the employment security program will continue to present a picture of a program that is at odds with itself, with UI discouraging claimants from taking needed training and the employment service urging and referring them to training sources.

Improving the UI Potential

The potential of the UI program as one means of helping to restore the economy to prosperous levels during periods of economic decline will be greatly enhanced as more of those workers now unprotected are covered and as the weekly benefit amounts and the periods during which benefits may be paid are increased.

The Administration's proposed Employment Security Amendments of 1965, now pending before the Congress, present an opportunity to attain major improvements in the effectiveness of unemployment insurance to assist the individual worker and to advance the growth of the Nation's economy.

Unemployment Insurance and Manpower Policy

Daniel H. Kruger *

ONE important objective of public policy with respect to manpower is to provide security against the hazards of unemployment. The Federal-State unemployment insurance program was designed to provide a measure of economic security for wage earners in covered employment through partial compensation for wage loss incurred through involuntary short term transitional unemployment.

Unemployment insurance is, therefore, an important aspect of manpower policy in a job economy. *Job economy* is more than a descriptive phrase. Our economy has, in fact, become a job economy. The overwhelming majority, over 90 percent, of the Nation's total labor force make their living through having a job. This has not always been the way Americans have earned their livelihood. In earlier periods in the Nation's history, a substantial proportion of the people worked on the land. At a later time, millions of persons were, in effect, "working for themselves" in self-owned professional, business, and service activities.

As our society evolved into a highly urbanized and industrialized economy, self-employment declined; and working as an employee in private enterprise and in government increased significantly. The *job* became the most important economic activity in the lives of most Americans because it provided the central means for earning income.

It is the *centrality* of the job which is the distinguishing characteristic of the job economy. Consequently, preparing for a job, getting, holding, and separating from a job, having income when laid off to tide one over between jobs, and finding another job to replace the one lost are crucial matters for large numbers of American workers.

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UI in the Job Economy

Of particular concern here is the role of unemployment insurance in the job economy. The evidence is clear as to the economic impact of unemployment insurance. During the 19 years 1946 through 1964, $34.9 billion in benefits was paid to claimants. During the same period 104.2 million first payments were paid to claimants in their benefit years. Unemployment insurance provided the first line of economic defense for these unemployed workers. The income maintenance features of UI are well known but there is another dimension to UI and this is its impact on manpower. The benefit amounts and duration, the application of eligibility requirements, and the disqualification provisions of the State laws all affect workers in covered employment. The manpower dimensions of UI, however, have not been given sufficient attention and study. In this article the implications of UI for manpower development and utilization are discussed briefly.

UI and Worker Mobility

The weekly benefit amount and duration of benefits affect workers' behavior in the job economy. The degree of impact may differ as between claimants who are primary and those who are secondary wage earners. Primary wage earners, on the whole, must work if they are to meet the necessary needs of their families. Few primary wage earners can afford to remain unemployed and draw benefits that are half and usually much less than half their customary weekly wage. On the other hand, secondary wage earners defy such simple analysis. The tendency is strong to think of secondary wage earners as being all of one kind —loosely attached to the labor force. This is not the case. Secondary wage earners vary considerably as to the pressing economic and other motivations that prompt them to seek and retain employment.

If, for example, they are seasonal workers, their benefits may be of such duration that they can draw benefits until they are able to return to their old jobs when the new season begins. However, the duration of seasonal workers' benefits may be short due to their limited employment and earnings and other limitations on payment of benefits to seasonal workers in effect in 20 States.

UI may also affect the mobility of certain groups of secondary wage earners with loose attachment to the labor force, especially those working in the canning industry and in resort areas. UI appears to strengthen the attachment of these workers to their employers. It has been reported that some employers in these industries use UI benefits as a means of retaining from year to year a group of workers who may only want to work part-year and who can draw benefits during the off season.[1] These workers, in effect, rely on their benefits as a regular supplementation to their wage income. Most of these employers are usually located in areas in which alternative employment opportunities are limited in the off season. Claimants, therefore, may be considered available for work although there is little opportunity for them to find work in the area.

While UI may tend to impede mobility among certain groups of seasonal workers, it facilitates, to a degree, labor mobility in other segments of the labor force. The mechanism used is the Interstate Benefit Payment Plan adopted as the result of a voluntary agreement among the States in 1938. This unique agreement was not provided for in the unemployment insurance provisions of the original Social Security Act nor as the result of any subsequent amendments. Under this agreement, eligible unemployed workers who live in one State but work in another, or who move to another State to seek employment, can receive unemployment benefits from the State in which they established their right to them.

Eligibility for benefits is determined in accordance with the laws of the liable State in which benefit rights were accumulated. The State in which the claimant resides and from which he applies acts only as the agent in processing the claim. In the period 1946–64, approximately 14.5 million initial interstate claims (indicating new spells of unemployment) were filed under the Interstate Benefit Plan. This total represents about 6 percent of all initial claims filed during that period.

There are no known studies available as to whether the individual State UI laws impede or restrict mobility. Some recent State legislation and the complexities of interstate claims processing are two factors which may tend to restrict mobility. With respect to the first factor, Alaska, Wyoming, and Ohio reduce the weekly benefit amount if the claimant moves to another State to job hunt; these laws may very well dampen a claimant's desire to cross State lines in search of a job. The second factor—the administration of the interstate benefit plan—in itself may inhibit mobility. Due to the time lapse between mailing benefit applications from an agent State to the liable State, plus additional paper work, payments of interstate claims may lag many weeks behind payment of intrastate claims.

The effects of the mobility stemming from the Interstate Benefit Plan, however, cannot be properly evaluated. Some workers undoubtedly move in search of another job. Others may want to be near their families and will return to their former jobs when and if recalled. The latter group may not strenuously search for work because of the lack of suitable employment opportunities in the area to which they have moved.

One other feature of the State UI laws which may act to impede mobility is that a strict interpretation of the statutory limitation on what constitutes "good cause" for leaving work eliminates consideration of many personal and economic reasons for leaving one job in search of another, however valid they may be for the individual. Such interpretations may discourage a worker's initiative in improving his economic status by postponing or denying him benefits. If a worker is aware that he may be disqualified for trying to get a better job, he may be reluctant to make a change. Many States, in making determinations in such instances, apply the criteria of suitability of the job for the claimant as to whether it would have been good cause for him to refuse the job in the first place because of substandard pay or working conditions, as well as to insure that the UI program does not exert a downward pressure on existing labor standards. On the other hand, many other States do not apply these standards possibly from the fear that employed workers will quit work and use the unemployment insurance program to finance the improvement of their job situations.

[1] Richard A. Lester, *The Economics of Unemployment Compensation* (Princeton, N.J., Princeton University Press, 1962), p. 50.

UI and Labor-Force Attachment

There are other features of UI which affect job market behavior, especially the eligibility requirements and disqualification provisions. Their interpretation and application by State administrators and State courts represent, in fact, a code of behavior for all workers in covered employment in that State. Each State therefore, has evolved over the years, a comprehensive body of policies which directly and intimately affect manpower. To receive benefits the worker must measure up to this code of behavior. Failure to do so means that the worker will be denied or disqualified from receiving benefits. It may be said that the Federal-State unemployment insurance program, in terms of numbers of workers involved, is one of the most significant aspects of the Nation's manpower policies. For example, 2,139,430 nonmonetary disqualifications affecting insured unemployed workers were made under State laws in 1964, while the number of trainees enrolled under ARA and MDTA training programs totaled 77,633.

In the process of determining benefit eligibility the State UI programs provide important, albeit incomplete, information about worker behavior in the job economy. To qualify the claimant must meet certain criteria, e.g., must have sufficient employment in covered work to evidence a continuing attachment to the labor force. This criterion helps to identify the degree of the worker's firm or loose attachment to the job market. An examination of his work record, family status, and occupation can indicate this degree of attachment. This concept has been a perennial source of controversy because there are no precise measurement guides.

Moreover, both the dynamics of the job economy and the changing characteristics of the labor force have affected the UI labor force concept. For example, the hours of work per week for certain groups of workers, such as the electricians in New York City, have been substantially reduced. Although these electricians work only 25 hours a week, they are considered full-time workers. The growth of part-time workers—women, students and retired workers—has been significant in recent years. These workers may be viewed as having a loose attachment to the labor force but nonetheless can meet the employment and earnings requirements of many State acts. However, the availability provisions of the State laws serve to disqualify those who unreasonably limit their employability. Also, some 33 State laws contain provisions reducing, limiting, or otherwise disqualifying claimants from benefits during those weeks in which they also receive OASI benefits or benefits from employers' pension funds.

Attachment to the labor force means that the claimant must be able and be available for suitable work. If he does not stand ready to do so during the week for which he filed his claim, he is ineligible for benefits. Under this concept, workers, generally speaking, cannot retire voluntarily to a state of idleness and expect to collect benefits. In theory, UI should serve as a motivating force in stimulating the worker in his job search. As noted above, this is not always true for all workers, e.g., part-time or part-year workers. For these claimants the application of the tests of availability which disqualifies those who restrict their hours and days of work, as well as kinds of work, is required.

Testing the availability for work of certain categories of workers presents problems, particularly for older workers. Rapid changes in the occupational structure of the job market are forcing older workers out of lifetime jobs. These workers have difficulties finding employment either because of age discrimination or obsolete skills. They meet some of the availability criteria, that is, being able to work, willing to work, actively seeking work, but are difficult to place, and consequently they are not candidates for available or existing jobs. If they are not candidates for the available jobs, what does this mean in terms of attachment to the labor force? Of course, training programs represent a possible solution to make them eligible, as well as programs to reduce discrimination because of age.

Hard-to-place workers, it is contended, are penalized by the provision that they have to seek work actively if they are to qualify for benefits. These workers, who week-in and week-out have to search for work without any success, can and do become discouraged. They may just stop looking for work. By definition, they sever their attachment to the labor force and become a part of the invisible unemployment.

The available work must be suitable. State agencies consider many factors in evaluating this proviso, e.g., experience, prior earnings, physical fitness, health, training, and location of the job. Of particular importance is the fact that wages, hours, and conditions of employment must not be

substantially less favorable to the worker than those prevailing for similar work in the locality. This mandatory standard was introduced in the basic legislation to prevent the UI system from exerting downward pressures on existing labor standards. Eligible workers are not obligated to accept any kind of job. The framers of the original act also had another objective in mind. It was their intent that efforts should be made to conserve the skills of unemployed workers. They reasoned that if workers were receiving benefits, the pressure on them to take jobs in which they would lose their skills, and the status associated with these skills, would be reduced.

In many instances, the preservation of workers' skills has little significance today. The relentless wave of technological improvements in the postwar period has accelerated skill obsolescence. Workers, especially older workers, who have lost their jobs and whose prospects for being recalled at their old jobs are dim may not possess current marketable skills. They are often unable to compete realistically in the job market because of lack of needed skills. They may need retraining or may have to scale down their expectations as to what they consider suitable work. Similarly, the long-term unemployed may also have to make needed and realistic adjustments to a job market in which they have actively sought work for more than six months without success. In such cases, the definition of suitable work becomes concise. Without its preceptive application, UI may keep alive a false hope and may postpone critical reassessment of what needs to be done in order to get a job.

The dynamics of a rapidly changing job market have underscored the importance of training and retraining activities. The Federal Government in enacting such legislation as the Area Redevelopment Act and Manpower Development and Training Act has recognized that training programs are essential if certain workers are to find a job. The State agencies, in both their employment service and unemployment insurance divisions, are very much involved in training activities. Despite the growing interest and emphasis on such programs, the State UI laws, on the whole, do not encourage claimants to participate in them. The reason for the lack of interest appears to be interrelated with the available for work criteria. Up to now only 22 States have amended the provisions of their laws regarding availability for work during periods of training or retraining. Under these provisions, an otherwise eligible claimant is deemed available for work while he is participating in a training or retraining program approved or recommended by the State employment security agency.

There is other evidence which suggests the present UI laws are not training-oriented. When the State acts were passed nearly 30 years ago, the Social Security Board noted that one of the functions of their unemployment insurance systems should be to "promote regularization of employment." The Board indicated that one of the ways by which this could be accomplished would be "to encourage and assist in the adoption of practical methods of vocational training and retraining." Until recently, the States did almost nothing along these lines and few training programs were developed by State agencies on their own initiative.

Employment Stabilization Efforts

At the inception of the unemployment insurance program, stabilization of employment was considered a primary objective. The assumption was that employers have a substantial degree of control over unemployment. Thus an incentive was provided through differential tax rates to encourage employers to stabilize employment. All State laws (except Puerto Rico's), now have an experience rating system by which individual employers' contribution rates are varied from the standard rate based on their experience with unemployment risk. While stabilization of employment was a desirable objective, its soundness rested on the extent to which the individual employer is able to regularize his employment.

It is now questionable how much of an incentive experience rating has given employers to stabilize their employment, especially in view of cyclical forces and technological changes. Employers have more powerful incentives, such as higher profits, to stabilize employment whenever possible. Moreover, the narrow range on tax rates has perhaps diluted the appeal of experience rating for some employers.

Stabilization efforts appear to be more attractive and practicable only for large companies which can produce for inventory or can move workers to various jobs. This is another limitation to stabilization devices which have important

implications for the job economy. As a result of increased costs of fringe benefits coupled with the costs of unemployment insurance, there are some employers who prefer to have their employees work overtime in order to avoid adding workers for temporary jobs. Undoubtedly their decision to have their employees work overtime is related, in part, to their desire not to injure their experience rating.

The low minimum base period earnings requirement in some States makes it possible for temporary or part-time workers to be employed for a short time in covered employment to acquire the needed wage credits to be eligible for benefits if their work is terminated. Thus if these workers are hired and then laid off, the employers' experience ratings would be adversely affected, and their contribution tax rates would be higher.

Other UI Effects on Manpower

From the employers' point of view, UI has affected manpower in a manner not contemplated in the original act. UI, it is contended, facilitated the introduction of technological improvements. Evidence to support this contention is not available. It does seem reasonable, however, to assume that employers could introduce the new equipment somewhat earlier as a result of unemployment insurance. In the postwar period, employers, especially the larger ones, have become more concerned with their "image." Throwing large numbers of workers out of work does not reflect favorably on the employer especially if these workers had very limited financial resources. Through the unemployment insurance mechanism, the displaced workers receive benefits. The economic dislocation and hardships resulting from the introduction of technological improvements, therefore, are somewhat softened.

Conclusion

In summary, the emphasis in the past has been focused on the income maintenance character of UI. The basic Federal legislation and subsequent State acts reflected the economic conditions and the nature and composition of the labor force existing in the mid-1930's. Conditions in the job market today have drastically changed. Much more attention by State legislators and UI administrators needs to be given to the implications of UI as it relates to manpower development and utilization. As was pointed out, UI does indeed affect manpower in many ways. Moreover, given the Federal-State system, there are 52 sets of manpower policies in practice. The need for more uniformity in the system is obvious, especially in view of the changes occurring in the job economy. Furthermore, the State acts, and their administration and interpretation, must take into account these dramatic changes. Confidence in the UI mechanism will be determined by the degree of responsiveness it makes to these changes.

Unemployment Insurance and the War on Poverty

Elizabeth Wickenden *

In the present war on poverty, as in other forms of combat, it is perhaps inevitable that, in the public mind, assistance to current casualties should initially overshadow the longrun strategies of building a stable and organized social order in which such casualties can no longer occur. Many people find it easier to grasp the need for particular forms of immediate aid to deprived individuals than to consider the need for basic reform in the institutional structures which affect us all.

Unemployment insurance, as the principal mechanism for giving the worker assured income to partially replace that which he loses through involuntary unemployment, is clearly such an institutional structure and hence a major weapon in the strategy of fighting poverty. Nevertheless, it is not surprising that its central role in any effective war on poverty has not yet received the same degree of pinpointed public attention as the crash program of innovation measures popularly known as "the poverty program," authorized by the Economic Opportunity Act to help the present victims of poverty.

One of the major purposes of the poverty program is to center the attention of all elements in our affluent society on the presence in its midst of over 30 million persons who are not sharing that affluence. This is bound to create a more critical and constructive interest in the basic institutional lags and weaknesses out of which that poverty springs. Thus, the poverty program, as it becomes fully operational, is almost certain to bring about increased attention to the values of the UI mechanism and the need to bring it up-to-date to meet current problems. This article is devoted to an analysis of this process and the challenge it presents.

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Assets of the UI System

What are the particular assets of the UI system as a major weapon in the war on poverty? There are four closely interrelated and central attributes whose values will surely be brought into sharper focus as the programs of the Economic Opportunity Act center increasing attention on the needs of the poverty-stricken in our society.

First, UI is a program of cash payments.—Our economy, like other market-oriented industrial economies, is basically money-oriented. Poverty, for virtually all individuals in the United States, must be measured in the first instance as a gap between their money income and that which is considered a tolerable level of individual or family income in relationship to the total actual or potential productivity of the Nation. Obviously, the poverty level in the United States, where average per capita income currently amounts to about $3,000 a year, is a quite different one from that in an underdeveloped country where per capita income runs below $100 a year.

Poverty is also different in modern America from what it was in the days when most people lived directly off the land, many of them in the relative isolation of the frontier. In those days individual enterprise and energetic self-reliance might well make the difference between a groaning board and constricting poverty. Today the individual must earn his livelihood from a job (and increasingly that job requires a large capital investment from a source over which he lacks control), or sell some product or service in the market, or live from the income of savings, or receive cash income from a governmental or other program of transfer payments—like social insurance.

There are many forms of nonmonetary benefit and service, especially those related to education and vocational training, that can enhance an in-

dividual's earning capacity, others that can help him make more effective use of his income, and others that either supplement his cash income or meet very particular needs not susceptible of answer in the market economy. In the final analysis, however, most people will measure their removal from poverty in terms of their cash income.

Not only is money income the measure of removal from poverty for most people, but it is also the measure of their dignity and freedom in a modern society. The framers of the Social Security Act understood very well this value of the cash payment for they had clearly before them the indignities of the grocery order, the rent payment, the community woodshed and the poorhouse. As these horrors have receded from memory, the proposers and makers of policy have sometimes been less aggressive in their advocacy of the "unrestricted cash payment" and some of their qualifications of the principle have good practical justification. But for the poor themselves, the most obvious answer to poverty is more cash in their pockets. UI is not the answer to the cash needs of all, but in the circumstances for which it is logical—interruption of wages due to unemployment—its cash payment aspect is a major asset.

Second, the purpose of UI is to prevent poverty, not to alleviate poverty after it has occurred.—While most people will gladly concede in theory the primacy of measures designed to prevent poverty, most of the popular criticisms directed against the UI system ignore this distinction. The alleviation of poverty is a welfare job with benefits based on and related to the fact and existence of poverty, more commonly designated as "need." But UI is designed to prevent poverty by assuring to the unemployed worker a predictable and objectively determined income which is related to his previous earnings but unrelated to his other assets or his need and granted as a matter of insured right. It is this attribute that gives UI dignity in the eyes of the beneficiary. The fact that the benefit payment is often too low under many of the State laws to serve in preventing poverty is a different question, discussed later. But the basic role of UI is a preventive one.

Two kinds of criticism, operating on quite different levels of sophistication, are frequently made with respect to this preventive aspect of UI. The first is epitomized by the recurrent newspaper story of the unemployed movie star arriving in his limousine to pick up his unemployment check. Here a naive or deliberate confusion is cultivated between UI, in which entitlement is based on prior work history and availability for work, and public assistance where entitlement is based on actual need. Both programs suffer from this common confusion of their purposes. A more sophisticated version of the same confusion goes something like this: "Assuming a limited amount of money available to 'help' the unemployed, any payments made by unemployment insurance to the nonpoor, in effect, make it impossible to give adequate aid to the poverty-stricken unemployed."

The first fallacy in this line of reasoning is the assumption that either the number of the unemployed or the amount available for their support is fixed. Obviously well adapted economic, educational and service policies should be capable of reducing the extent of unemployment to manageable proportions. But even assuming present levels of unemployment, payments made to the unemployed play such a role in maintaining the consumption side of the market equilibrium as to justify them as an element of production costs. In any case the cost of making payments related not to need but to joblessness is not so great as to justify distorting a preventive institution into one based on need. If one starts with the assumption that prevention of poverty is a primary social goal, no benefit conditioned on the fact of poverty can serve that goal.

Again many of the criticisms directed toward UI are based not on its basic concept of entitlement but on its inadequate implementation in terms of extent of coverage, benefit levels, and conditions of entitlement. Obviously, the answer to these problems is not a different system but a better adapted use of the existing system.

Third, a closely related value of UI is the factor of legally enforceable objective criteria for entitlement based on a previous work history.—If one accepts the premise that in the modern world individuals are largely dependent on social instrumentalities for their income, it follows that the only effective answer to a sense of helplessness on the part of individuals lies in legally enforceable rights and entitlements. This aspect of the war on poverty has been recognized by the Office of Economic Opportunity in the strong encouragement it is giving to the financing of legal services to the poor and the emphasis placed in discussions of those services on representation of individuals

before the governmental bodies controlling public benefits. It becomes especially important with respect to those benefits, like public assistance and unemployment insurance, where adverse public opinion in particular circumstances may influence the decisions and policies of administering agencies.

It is sometimes difficult for employees of governmental agencies, conscious of their efforts to protect the interests of their program beneficiaries against every sort of pressure and criticism, to recognize the extent to which the right of appeal against their decisions and representation by a lawyer or other outside advocate protects the health of the program for which they are responsible. The effective utilization of the right of appeal would also seem to require the review and consideration of State agency practices related to legal representation and assistance for UI claimants and the difficulties they sometimes encounter during the appeals process. Not only the observance of the objective rule of law guaranteeing appeal rights, but the maintenance of a fair balance between the administrative and beneficiary relationships is the essence of legal processes to protect the rights of the latter.

A legal right, however, must also be rooted in a well-accepted social value and here again the entitlement factor in UI has a basic strength in its relationship to a work history. For work is still the most generally accepted basis for income in our society, despite the interesting speculations of groups like the Ad Hoc Committee on the Triple Revolution that automation with its attendant abundance may ultimately make this an obsolescent relationship. Certainly for the present there is no question but that income from productive labor is the most acceptable basis both to the individual and to the molders of public policy. In this sense UI may be regarded as a kind of deferred return on labor already performed as well as a token of good faith with respect to the willingness of the worker to return to productive labor as soon as a job is available to him. Since his ability to perform such labor is conditioned on the productive apparatus of the country, the cost of carrying him over this period of involuntary unemployment is considered an appropriate charge against the cost of production itself, and his entitlement to benefits is still firmly based on his status as a member of the work force in good standing.

There are many precedents for legal entitlements surrounding an individual in his capacity as a worker and unemployment insurance derives great strength from its association with them. Here again the shortcomings of UI in this respect are not intrinsic to the concept. They result from failures to make the adaptive modifications required to meet changing conditions.

Fourth, and basic to all other UI values, is its ongoing institutional stability.—For not only does the mechanism of social insurance protection against the risk of unemployment assure predictable income to the individual, it also plays a major role in the total institutional structure on which the health of our society increasingly depends. Neither production nor consumption can any longer be regarded as functions based exclusively on independent individual initiative and effort. Production requires heavy investment in highly complex organizational structures which in turn rely on a market situation largely supported by the availability of expendable income. An employer cannot control his market conditions any more than a worker can control his job. Both are equally dependent on an elaborate complex of delicately balanced interactive institutional mechanisms in which the market economy is only one of many factors. In this situation the health of the market economy is as dependent on overall institutional mechanisms as is the employer for a return on his investment and the worker for a return on his labor. In simple fact, all are equally dependent on their common instrumentality, government—not to supplant their own functions but to create the institutional relationships within which all can function and thrive.

Obviously, within such a complex interaction of institutional relationships the role of government must itself be institutionalized, i.e., based on a rule of law and operational mechanisms which function with predictable continuity. It is conceivable, of course, that government might deal with the fact of individual poverty due to joblessness in a purely *ad hoc* manner with some official reaching into a common fund for the relief of destitution according to his own best judgment of the moment. But in the anarchy of such an arrangement more than the dignity and security of the worker would suffer. All aspects of economic functioning would be thrown into disarray and the rule of law which is the essence of stable government would be totally undermined. In other

words, the prospect is so unthinkable in the modern world as to make the point really unarguable: institutional continuity is a major asset in the role of UI in an effective war on poverty.

Adaptations for the UI System

But institutional continuity does not mean institutional rigidity, and this turns attention to the other half of this analysis: the changes that are needed to make the UI program a really effective instrument for fighting poverty. For institutions are like people; constant growth and adaptation are not only indispensable for effective functioning, they are the very price of survival itself. So when one comes to look at the shortcomings of UI as a weapon against poverty, one must consider first the failure of our policymakers to keep it up-to-date.

In the 30 years since the passage of the Social Security Act in 1935, our gross national product has grown from $72.5 billion to $634.6 billion in 1964; our total civilian labor force has grown from 52.8 million to 74.2 million and the distribution of that force, both in terms of occupation and geographical location, has drastically altered; changes in the relative contribution of machinery and labor to production have started a process of revolutionary change which is bound to accelerate; the educational and skill components of required labor within that production pattern are equally altered; the age and sex distribution of the work force has likewise undergone a major change; the average weekly gross earnings of a production worker in manufacturing has risen from $23.64 in 1939 to $103.38 in 1964; and the scope of both domestic and world markets has constantly widened. These are just some of the factors that have revolutionized the economic and, more specifically, the job market situation in which UI is expected to play its appropriate role.

What has been done in that 30-year period to bring about commensurate adaptations in unemployment insurance? The answer is very simple: At the Federal level, at least, virtually nothing. While its companion social insurance program of Old Age, Survivors and Disability Insurance (OASDI) has been repeatedly enlarged, strengthened, and adapted to changing needs—through wider coverage, higher benefits, and new forms of protection—the Federal-State UI system has stood virtually still except as individual States have moved ahead of the country as a whole. Fortunately, there are now signs of real hope for imminent change in the fact that the Administration has put forward major remedial proposals, now under consideration by the Congress.

What would be the effect of these proposed changes in terms of the war on poverty? Without discussing the individual provisions in detail their impact applies to five broad related areas: coverage, benefit levels, benefit duration, benefits while retraining, and the role of the Federal Government in UI.

Coverage

The criticism is made frequently that the UI system fails to protect those who earn the least, who are the most vulnerable to unemployment and hence most quickly thrown into poverty if they lose their jobs. Obviously, this is not an attribute of the system itself but of our failure to move it out of the selective coverage with which it, like OASDI, began its existence into one of more universal applicability. Assuming, as this article does, that employment opportunities almost universally derive from a total institutional complex which is subject to social and economic factors that cannot be controlled either by the individual employer or the worker, protection against the risk of individual unemployment within that complex should be universally shared. The current proposals move in that direction by extending coverage to 5 million additional workers, mainly those in small firms, in nonprofit organizations, and on large farms, and by modifying the requirements for effective coverage. The fact that many of the workers in these groups are peculiarly vulnerable to destitution is important to the war on poverty but less so, in the view of this observer, than the fact that it is a movement toward universal coverage. For only when all workers are covered will the preventive wall against poverty due to temporary joblessness be complete.

Benefit Levels

Poverty, to the jobless worker, must be measured by two yardsticks: the absolute levels of his current income and the degree to which he has suffered a reduction from his normal standard of living. By neither standard is our current UI system adequately meeting its proper role as a preventive of poverty. The war on poverty has used

a rough average of $3,000 a year for a family of four as the pivotal measure below which poverty may be assumed. Reduced to a weekly figure this would require an income of something over $57 for the elimination or prevention of poverty. But even with all the wide variations among the State benefit schedules the average weekly benefit payment in 1964 was only $35.96. There are, moreover, only seven States (at this writing) which permit unemployment insurance payments—under even the most favorable circumstances—to reach this out-of-poverty level under current maximum limitations.

For the worker who bases his standard of living on the assumption of a continuing earning power, the other measure of poverty is equally important. In turn, our very economy is based on this same worker's willingness to make long-term expenditure commitments in terms of such essentials as the mortgage on his house or rental levels established by lease, his time payments on an automobile and all the other expensive investments of modern living, his health and other insurance payments, his educational obligations to his children, and his taxes. When he loses his job, not only his personal economy but his role in the national economy is thrown into disarray unless his replacement income bears a reasonable relationship to his earnings. Yet here UI payments are not only hopelessly inadequate, averaging only 35 percent in terms of wage replacement, but are actually 6 percent lower than they were in 1939. Under the provisions of the proposed legislation all States would be required to raise the weekly benefit amount to 50 percent of the individual's weekly wage up to the State maximum, and the maximum would be set initially at 50 percent of the statewide average weekly wage, thus rectifying the situation to that extent. This is a long overdue step in the right direction.

Duration

In this hasty overview it is clearly impossible to discuss the full implications of existing duration limitations on the effectiveness of UI as a preventive of poverty. Perhaps the most significant fact to note in this area is the changing character of unemployment itself. In the UI system envisioned by the framers of the Social Security Act in 1934, it was apparently assumed that most unemployment would result from seasonal factors in production or temporary dislocations in the market. The role of the worker in this picture was assumed to be relatively static; after the seasonal or market dislocations had passed, the worker would return to his former or similar job. But in today's changing economic pattern the causes of unemployment have changed in ways that create a far greater risk for particular workers of long-term unemployment or major changes of occupation, skill, or location that require considerable time for readjustment. Thus, in practical fact, the exhaustion of claimants' benefit rights under existing duration restrictions of the State laws has become a major factor in creating poverty and dependency. Even though the actual number of individuals exhausting their benefit rights before securing employment has gone down in recent years, they still constitute nearly one quarter of all beneficiaries. Obviously, these people have no choice but to turn to public assistance or relatives if jobs cannot be found.

The legislative proposals aim to improve this situation in three ways: (1) by requiring the States to provide benefits for at least 26 weeks to eligible claimants who meet the requirement of 20 weeks of prior employment; (2) by giving additional financial help to States whose own funds are depleted due to heavy unemployment; and (3) by the provision of a permanent program of Federal Unemployment Adjustment Benefits (FUAB) for the long-term unemployed worker with a strong prior attachment to the labor force.

Retraining

Closely related to the problem of duration, as discussed above, is the question of whether the unemployed worker can hope to find a job without acquiring a new or different skill. Under the original UI concept a primary condition of entitlement was considered to be "availability for suitable work," by which was meant that the worker must be continually available in case a job similar to the one he had formerly held opened up. But for a worker displaced by automation, changing skill requirements, or major shifts in employment distribution such continuous "availability" may prove an actual handicap to reemployment if it prevents him from acquiring a new skill through training or from moving to a new location to seek employment. The FUAB program would make a progressive step toward solving this problem by conditioning these extended benefits on retraining where appropriate and by the provision

requiring States to pay regular benefits to unemployed workers while taking training approved by the State agency.

A Stronger Federal Role

Perhaps the most significant contribution of the current proposals to make the UI system a more effective weapon in preventing poverty is the recognition that unemployment is a national problem requiring nationwide standards of remedy. Even though the Social Security Act left the actual administration of UI to the States, it recognized the need for a nationwide system by the ingenious tax offset system which virtually assured universal State participation (which in fact did occur), and imposed certain minimum standards to achieve the elements of a common program. Again, failure to update those standards to meet changing conditions has left the States in the situation where any initiative by a particular State to raise standards above the Federal requirement is resisted by employers who fear for their competitive situation in relationship to those employers in less enterprising States. Obviously, in a Federal system where many States must function within a single national market, the Federal Government is the only jurisdiction which can assure simultaneous updating of provisions among all the States, thus providing a reasonable standard of adequacy without competitive disadvantage to any one State.

From the point of view of the worker, the benefits of such action are obvious, but it is hard to understand why employers have not all been equally alert to see its advantages for them. Not only will this action simultaneously protect their own work force and their own competitive position, but it is the surest way to maintain the market on which their prosperity ultimately depends.

Limitations on UI System

In conclusion something should be said about the limitations of the UI system in the war on poverty. Not all or even a majority of the people who are presently poor can expect to have their poverty eliminated either by finding a job or receiving the kind of substitute income provided by UI. It is even possible that the expanding productivity of each worker may still further reduce the work force by extending the period of youthful preparation, speeding the retirement of the elderly, and encouraging other forms of activity for persons whose major usefulness and fulfillment may lie outside the wage economy. There are other ways of assuring adequate income to these groups, and the effectiveness of UI would not be enhanced by trying to stretch its provisions to meet their needs.

Moreover, UI can never substitute for a full employment economy. By its very concept of entitlement, its role must always presuppose the ultimate and, in fact, prior existence of a job. Thus the creation of jobs—whether in the private sector motivated by profit, the public sector providing authorized services, or the possible extension of public works jobs specifically designed to make good use of available workers—must always take priority as a goal. But within its own supportive limits UI should be recognized for what it is—a major arm of the country's poverty-fighting establishment, needing only the kind of updating of its weaponry that has been so generously supported in other kinds of warfare.

Some "Firsts" in the History of Unemployment Insurance in the United States

1916—The first proposal for a State unemployment insurance law in the United States was made in 1916 when a bill, modeled largely after the British Act of 1911, was introduced in the Massachusetts legislature.

1931—In a special legislative session, Wisconsin enacted the first unemployment insurance law in this country. The Wisconsin Unemployment Reserves and Compensation Act, approved on January 28, 1932, culminated 10 years of legislative discussion in the State.

1935—Following approval of the Social Security Act on August 14, which established the Federal-State system of unemployment insurance in the United States, Congress enacted the unemployment compensation law for the District of Columbia on August 28. This was the first "State law" to include coverage of one or more at any time, and to provide benefit allowances for dependents.

1935—The first State unemployment insurance laws were approved by the Social Security Board: District of Columbia on November 15 and Wisconsin on November 27.

1936—On August 17, Wisconsin paid the first unemployment benefit check to be issued in this country from a State unemployment insurance fund.

1940—On September 23, New Jersey became the first State to enact a provision for preserving servicemen's benefit rights earned before induction for use after military service.

1942—On April 29, Rhode Island became the first State to enact a temporary disability insurance law, to be administered in coordination with the unemployment insurance program.

1944—Michigan was the first State to add a provision for dependents' allowances to its State unemployment insurance law.

1945—Maryland was the first State to eliminate the waiting period.

1946—Total benefit payments exceeded $1 billion for the first time.

1949—On February 28, Kansas became the first State to enact legislation providing for a flexible maximum weekly benefit amount.

1953—Nevada was the first State to increase maximum taxable wages above $3,000.

1954—The Employment Security Administrative Financing Act of August 5, included the first permanent provision for Federal assistance to States with low reserve funds.

1954—September 1, marked the first major extension of coverage under the Federal Unemployment Tax Act—to firms employing four or more employees in 20 weeks, effective after January 1, 1956.

1958—On June 6, Pennsylvania became the first State to sign an agreement with the U.S. Secretary of Labor electing to participate fully in the Temporary Unemployment Compensation program. However, on April 16, Connecticut, prior to the inception of the Federal-State TUC program, but while it was under active discussion,was the first State to initiate its own program of paying additional benefits, equal to 50 percent of regular benefits, to claimants who exhausted their regular unemployment insurance benefits.

1964—On May 2, Hawaii became the first State requiring employer contributions on a flexible taxable wage base. Beginning in 1965, an employer was required to pay contributions in a calendar year based on remuneration paid for employment to each individual not to exceed 90 percent of the "State average annual wages." In 1963, one house of the Idaho legislature passed a measure providing for a flexible taxable wage base.

Significant Dates in Federal Income Maintenance Legislation

1935—The Social Security Act, approved on August 14, provided in titles III and IX of the act the basic framework for the Federal-State unemployment insurance system.

1937—On May 24, the constitutionality of the Federal-State unemployment insurance system was upheld by the U.S. Supreme Court in cases raised by Alabama employers.

1937—Enactment of the Illinois Unemployment Compensation Act on June 30, completed the Federal-State system with laws in 51 jurisdictions—the 48 States, District of Columbia, Hawaii, and Alaska.

1938—Approval of the Railroad Unemployment Insurance Act on June 25, removed railroad workers from coverage under the Federal-State system and set up a special system of unemployment insurance for them.

1944—The Servicemen's Readjustment Act (GI Bill of Rights), approved June 22, included provision for "readjustment allowances." On a uniform formula, Federal benefits for unemployed veterans to be paid by State employment security agencies as agents of the Federal Government.

1946—On August 10, the Reconversion Unemployment Benefits for Seamen program was added as title XIII of the Social Security Act—providing temporary benefits for seamen employed by agents of the War Shipping Administration.

1952—The Veterans' Readjustment Assistance Act, approved July 16, provided for unemployment compensation for veterans under a uniform Federal benefit formula but subject to State availability and disqualification provisions.

1954—A new title, XV, of the Social Security Act was approved on September 1, providing benefits for Federal civilian employees (UCFE). To be financed by Federal funds and paid by State agencies under their own benefit formulas—as though Federal employment had been service under State law.

1954—September 1, also marked congressional approval of the first major extension of coverage under the Federal Unemployment Tax Act. This included employees of firms employing four or more in 20 weeks, after January 1, 1956.

1958—The Temporary Unemployment Compensation Act, approved June 4, provided that, in States choosing to participate in the program, additional unemployment insurance could be paid on a temporary basis to jobless workers who exhausted their regular unemployment insurance benefit rights after June 30, 1957, or some later date selected by a participating State. Federal civilian employees, veterans, and ex-servicemen were included. Administrative and benefit costs for the temporary unemployment compensation (TUC) program were advanced to the States by the Federal Government from general revenue. Effective June 1958; expired June 30, 1959.

1958—The Ex-Servicemen's Unemployment Compensation Act (UCX, an amendment to title XV) approved on August 28, provided unemployment compensation from Federal funds for ex-servicemen completing active qualifying service in the Armed Forces. Benefits are based on the ex-serviceman's pay grade at time of separation. Eligibility requirements of the unemployment insurance law of the State in which he first files his claim for benefits must be met.

1960—Amendments to the Social Security Act, approved September 13, narrowed the employment exclusion so as to include certain instrumentalities of the Federal Government in which the United States has no ownership, employees serving on or in connection with American aircraft outside the United States, employees of "feeder" organizations, and various employees of certain tax-exempt organizations. Increased the Federal tax to 3.1 percent and tightened the eligibility requirements for loans to States. Brought Puerto Rico into the Federal-State system.

1961—The Temporary Extended Unemployment Compensation Act (TEUC) approved March 24, provided additional weeks of benefits to jobless workers who exhausted their regular benefit rights after June 30, 1960. Additional benefits were limited to 13 weeks and States were reimbursed for regular benefits paid after 26 weeks. Federal civilian employees and ex-servicemen were included. No new claims could be filed after March 31, 1962; the program expired June 30, 1962.

1961—The Area Redevelopment Act, approved May 1, included provisions for occupational training and retraining of individuals in redevelopment areas and for weekly retraining payments up to 16 weeks. The weekly rate was based on the average State UI payment for a week of total unemployment. (The training part of the area redevelopment program to be phased out between July and December 1965 and become part of the Manpower Development and Training Act.)

Continued on page 34

1962—The Manpower Development and Training Act, approved March 15, provided for weekly vocational and on-the-job training payments, subsistence allowances for trainees living away from home, and transportation allowances for those commuting to the training facility. Weekly training payments based on the average State UI payment for a week of total unemployment but reduced for youth and increased for those potentially entitled to State UI benefits.

1962—The Trade Expansion Act, approved on October 11, initiated a program of Trade Readjustment Allowances and Relocation Allowances for workers adversely affected by trade agreements, permitted under the act, between the United States and other nations.

1963—On December 19, the Manpower Development and Training Act was amended to provide grants or loans in assisting involuntarily unemployed individuals to relocate from their resident community where they cannot reasonably be expected to obtain full-time employment to another community where they have a bona fide offer of employment. Relocation assistance allowances include transportation costs for such individuals, their families, and their household goods.

1965—In the Manpower Act of 1965, approved April 26, benefit and eligibility requirements and relocation assistance allowances were further liberalized.

U.S. GOVERNMENT PRINTING OFFICE: 1965 O—792-968

Summary of Proposed Employment Security Amendments of 1965*

Federal Unemployment Adjustment Benefits (FUAB)

Eligibility: 26 weeks unemployment; 26 weeks employment (or equivalent) in the State base period and total of 78 weeks employment (or equivalent) in 3-year qualifying period (State base period and preceding 2 years); no current or potential State benefit rights.
Weekly Benefit Amount: That amount payable in the State benefit year which begins the 3-year Federal benefit period.
Total Benefits: 26 weeks in 3-year Federal benefit period.
Payment of Benefits: Special disqualification and certification provisions.

Financing

Matching Grants for Excess Benefit Costs: Annual Federal grants of two-thirds of State benefit costs above two percent of total wages.
Additional Financing: To pay costs of FUAB and matching grants for excess benefit costs, 0.15 percent employer tax and equal amount from general revenue.
Wage Base: Increases taxable wage base to $5,600 in 1967, to $6,600 in 1971 (bringing the UI base in line with OASDI).
Experience Rating: Present standard deleted. Full credit for reduced rates (less than 2.7 percent) to pooled funds (used in all States) regardless of State basis for rate reduction.

Coverage

Nearly 5 million additional workers would be covered under unemployment compensation laws:

- Workers in small firms (one or more at any time).
- Workers on large farms (using 300 man-days of hired farm labor in any quarter).
- Workers in certain agricultural processing.
- Workers in nonprofit organizations except individuals in certain categories.
- Driver salesmen and others working under similar arrangements.

Benefit Requirements

Full Federal tax credit to employers only if State provides:

- Qualifying requirement of no more than 20 weeks of work or equivalent.
- Weekly benefit amount equal to 50 percent of individual's average weekly wage.
- Maximum WBA at least 50 percent of State wage by July 1, 1967; 60 percent, by July 1, 1969, and 66⅔ percent by July 1, 1971.
- At least 26 weeks of benefits for workers with 20 weeks of work in base period.

Additional Conditions

For any Federal tax credit to employers, State must provide:

- Equal treatment for out-of-State claimants as to eligibility and benefit amount.
- Disqualifications (except for fraud, labor disputes, and conviction of a work-connected crime) limited to 6 weeks, with no cancellation or reduction of rights.
- No denial of benefits to individuals taking approved training.
- Denial of benefits if claimant has not worked since beginning of previous benefit year.

Other Provisions

No tax credit to maritime employers in States which do not provide equal treatment for maritime workers.
Staff training for personnel working in the unemployment insurance program.
Increase in basic unemployment insurance research.
Special Advisory Commission on Unemployment Compensation to be appointed in 3 years to study the Federal-State program and make recommendations for improvement of the system.
Change in certification date from December 31 to October 31.

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*The proposed Employment Security Amendments of 1965 (H.R. 8282 and S. 1991) were introduced during the first session of the 89th Congress. Hearings on H.R. 8282 were held in August 1965 before the Ways and Means Committee of the House of Representatives.

UNITED STATES
GOVERNMENT PRINTING OFFICE
DIVISION OF PUBLIC DOCUMENTS
WASHINGTON, D.C. 20402

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in the question of judicial review of the Secretary of Labor's decisions in conformity cases.

Following its reconstitution in 1963, the Federal Advisory Council on Employment Security held two meetings, neither of which proved productive. The Secretary of Labor has not summoned the committee for almost two years.

State Legislation

At the state level, AFL-CIO affiliates obtained some significant victories and suffered some notable defeats. The South Dakota Federation of Labor took a difficult unemployment insurance issue to state referendum and won. The Pennsylvania AFL-CIO lost by one vote in the legislature a fight to stop Governor William W. Scranton's program for drastically reducing total benefit payments. The Iowa Federation of Labor succeded with its program to eliminate variable maximums; the Maine State Federated Labor Council successfully worked to have "high-quarter" benefit computations replace those based on "annual wages" and liberalized disqualifications. These two states and Rhode Island and Hawaii moved into the growing group that sets the maximum as a percentage of average weekly wages rather than as a fixed dollar amount. Only Hawaii has reached the AFL-CIO recommendations for a maximum weekly benefit amount at two-thirds of average weekly wages and a potential duration of 26 weeks for all claimants.

In other states new maximums obtained restored some relatively recent and inadequate benefit-wage ratio. In general, the old patterns persist: adjustment of the maximums at the price of protection for irregularly employed workers; shaky financial practices, only partially relieved in a few states by slight increases in the tax base.

1964 Legislative Sessions

Arizona: Raised maximum from $35 to $43; raised tax base to $3,600.

Delaware: Allowed agencies or subdivisions of state to elect coverage on a reimbursable cost basis.

Hawaii: Tightened wage qualifying requirement; improved financing.

Louisiana: Raised maximum from $35 to $40 for those with high-quarter earnings over $875.

Maryland: Raised maximum from $38 to $46 but latter also applies to claimants with dependents; changed tax schedules.

Massachusetts: Amended labor dispute provision to allow benefits for those not recalled within one week following dispute.

Mississippi: Changed from "payroll decline" to "benefit ratio" form of experience rating.

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Pennsylvania: Raised maximum from $40 to $45; reduced duration from 30 weeks for all to 18-30 weeks (total benefits no more than one-half base period wages); tightened wage qualifying requirements; eliminated second year benefits based on lag quarter wages without intervening employment; added triggered extended benefits; raised tax base to $3,600; extended tax schedules downward to zero percent; added an "active search for work" requirement; added extensively to disqualifications for pregnancy, after childbirth, receipt of pensions, vacation pay, severance pay, etc.

South Dakota: Tightened eligibility requirement, but later this amendment was defeated in a state referendum.

Puerto Rico: Raised maximum from $16 to $20; broadened extended duration to cover sugar cane workers.

Virginia: Raised maximum from $34 to $36; dropped lower paid workers at bottom of benefit schedule; tightened wage qualifying requirement; raised maximum duration to 26 weeks for higher paid workers only.

1965 Legislative Sessions

Alabama: Raised maximum from $32 to $38; tightened wage qualifying requirement; added pregnancy disqualification; made minor changes in requalifying requirement, definition of waiting week, and definition of voluntary leaving.

Alaska: Minor technical changes in definition of wages and administrative procedures.

Arkansas: Legislature tightened wage qualifying requirement and penalty disqualifications for duration of unemployment. Vetoed by governor.

California: Increased maximum from $55 to $65; raised qualifying requirement to $720 from $600; raised qualifying requirement for triggered extended benefits; added total disqualification (for duration of unemployment) for voluntary quit and discharge for misconduct; raised tax base to $4,100 temporarily; raised uniform surtax from 0.5 to 1 percent temporarily; directed agency to investigate labor disputes and publicize classes of workers ineligible.

Colorado: Added changes and restrictions affecting eligibility and disqualifications; enacted total disqualification for refusal of suitable work offered at any time between base period and time of application for benefit.

Connecticut: Raised maximum from $45 for an average weekly wage of at least $89 to $50 for an average wage of $99 or more; raised base year qualifying requirement from $300 to $750; raised dependent allowance from $4 to $5 for each child.

Florida: Reduced benefit by amount of a pension; enacted minimum rates below .1 percent.

Hawaii: Raised maximum which is to be set annually at two-thirds of state's average weekly wage.

Illinois: Raised variable maximum from $38 to $42 for claimant with no children and from $59 to $70 for claimant with four children; increased slightly required qualifying earnings and voluntary leaving penalty; tightened the definition of recession for triggering the extended benefits program; anticipated adjustment in federal tax base increase with provision to lower rates.

Indiana: Raised maximum from $36 to $40 except that a claimant with nonworking spouse is entitled up to $43; doubled wage qualifying requirement; tightened disqualifications; declared termination under compulsory retirement clause in union contract is not a basis for ineligibility; altered funding.

Iowa: Abolished variable maximum benefit structure and set individual benefits at 1/22nd of high-quarter earnings with maximum at 50 percent of state's average weekly wage; liberalized duration provision; raised highest tax rate; waiting week to be compensable retroactively after a fifth week.

Maine: Changed from annual wage to high-quarter benefit formula; set weekly benefits at 1/25th of high-quarter earnings subject to maximum at 50 percent of state's average weekly wage: changed from 26 weeks uniform duration to lesser of 26 weeks or 1/3rd base period wages; raised qualifying earnings; liberalized definition of partial unemployment; liberalized disqualification definitions and penalties; established tax rates above standard rates; waiting week to be paid retroactively after fourth week.

Maryland: Raised maximum from $46 to $48 for claimants with and without dependents; to allow concurrent benefit and vacation pay payable at time of separation.

Massachusetts: Raised basic maximum from $45 to $50.

Michigan: Increased the basic maximum from $33 to $43 and the augmented maximum from $60 to $72; raised individual benefits below maximum from 50 to 55 percent of claimant's average weekly earnings; maximum duration remains at 26 weeks but entitlement increased from 2 benefit weeks for 3 credit weeks to 3 benefit weeks for 4 credit weeks; decreased disqualification penalty from total denial for duration of unemployment to 6 weeks benefit cancellation; extended coverage to employers of one or more; and made numerous other changes in disqualifications, coverage and financing.

Minnesota: Raised maximum from $38 to $47, with individual benefits to be figured at 50 percent of average weekly wage rather than by annual wage formula; tightened qualifying earnings requirements; required "actively seeking work;" increased disqualification penalties; raised tax base to $4,800; made other financing changes.

Missouri: Raised maximum from $40 to $45; raised partial earnings allowance; redefined week of unemployment.

Nebraska: Increased the maximum from $38 to $40; changed the penalties for discharge for misconduct and refusal of suitable work from 6 weeks denial to 4 to 8 weeks denial.

Nevada: Raised basic minimum benefit from $8 to $16 and maximum from $37.50 to $41, (or $61 with dependent allowances); raised earnings requirement; disqualified voluntary quits because of marital obligation for duration of unemployment unless sole support of family; raised taxable wage base from $3600 to $3800 and highest tax rate to 3 percent.

New Hampshire: Raised maximum from $45 for at least $3,600 annual earnings to $49 for $4,500 or more; changed disqualification for misconduct and refusal of suitable work 4 weeks to total disqualification for duration of unemployment; raised peril point of fund, lowered minimum allowable rate, and made other funding changes.

New York: Extended coverage to nonprofit employes subject to federal amendment permitting reimbursable financing; raised maximum from $50 to $55; covered persons in personal or domestic service of employer who pays $500 or more in any calendar quarter.

North Carolina: Raised maximum from $35 to $42; tightened earnings requirement; added waiting week; declared a person not unemployed if he received any termination benefit.

Oregon: Made minor changes in coverage, administration, tax base.

Rhode Island: Increased maximum from $36 to 50 percent of state's average weekly wage; lifted individual weekly benefit from 50 to 55 percent of claimant's average wage; raised maximum rates and changed tax structure to permit experience rating at lower fund levels.

South Dakota: Raised maximum from $34 to $36.

Tennessee: Raised maximum from $36 to $38; permitted enrollment in training course without being held ineligible as unavailable for work.

Vermont: Declared available for work and, therefore, eligible a claimant taking an approved training course; allows claimant's attorney to be paid from administrative funds.

Workmen's Compensation

During the past two years, there have been a number of significant improvements in state workmen's compensation laws. The vigorous efforts of AFL-CIO state central bodies have generally been responsible for these gains. Unfortunately, the gap between the workmen's compensation goals of the federa-

TEXAS UNEMPLOYMENT COMPENSATION ACT

(Art. 5221b, V.A.C.S.)

TEXAS EMPLOYMENT COMMISSION

AUSTIN, TEXAS 78701

1965

S. PERRY BROWN
Chairman and Executive Director

J. E. (ED) LYLES
Commissioner

W. S. BIRDWELL, JR.
Commissioner

R. L. COFFMAN
Administrator

SIGNIFICANT PROVISIONS OF STATE UNEMPLOYMENT INSURANCE LAWS, JANUARY 1, 1966

PREPARED FOR READY REFERENCE. CONSULT THE STATE LAW AND STATE EMPLOYMENT SECURITY AGENCY FOR AUTHORITATIVE INFORMATION

	BENEFITS									COVERAGE	TAXES	
				Weekly benefit amount for total unemployment[4] (in dollars)			Duration in 52-week period					
State	Wage or employment qualifications (number times weekly benefit amount unless otherwise indicated)[1]	Waiting period[2] (weeks)	Computation of weekly benefit amount (fraction of high-quarter wages unless otherwise indicated)[3]	Minimum	Maximum	Earnings disregarded in computing weekly benefit for partial unemployment[5]	Proportion of wages in base period[6]	Weeks of benefits for total unemployment[7] Minimum[8]	Weeks of benefits for total unemployment[7] Maximum	Size of firm (minimum number of employees and/or size of payroll)	Employer contribution rates for 1965 (percentage of wages[9]) Minimum	Employer contribution rates for 1965 (percentage of wages[9]) Maximum
Alabama	1 1/2 times high-quarter wages; but not less than $468	[2]1	1/26	12	38	$6	1/3	13	26	4 in 20 weeks	[9]0.5	[9]2.7
Alaska	1 1/4 times high-quarter wages but not less than $500	1	1.8-1.1% of Annual wages, plus $5 for each dependent up to lesser of wba or $25	[4]10-15	[3,4]45-70	Greater of $10 or ½ basic wba	[6]30-29%	15	26	1 at any time	[9]1.5	[9]4.0
Arizona	30; and wages in 2 quarters	1	1/25	10	43	$10	1/3	10	26	3 in 20 weeks	[9]0.2	[9]2.7
Arkansas	30; and wages in 2 quarters	1	1/26 up to 50% of State average weekly wage	15	38	$5	1/3	10	26	1 in 10 days	0.5	3.6
California	$720	1	1/24-1/27	25	65	$12	1/2	[7]12-14+	[7]26	1 and over $100 in any quarter	[9]2.2	[9]3.5
Colorado	30	1	60% of claimant's usual full time weekly wage up to 50% of State average weekly wage.	14	51	$3	1/3	10	26	4 in 20 weeks	0	2.7
Connecticut	$750; and wages in 2 quarters	1	1/26, plus $5 for each dependent up to ½ wba	10-15	50-75	$3	1/3	[7,8]8+-26	[7]26	3 in 13 weeks	1.5	2.7
Delaware	30	0	1/25	7	50	$2	37%	11+	26	1 in 20 weeks	[9]0.7	[9]3.6
District of Columbia	1½ times high-quarter wages but not less than $276; with $130 in 1 quarter	1	1/23 up to 50% of State average weekly wage, plus $1 for each dependent up to $3	8-9	[4]55	2/5 wba	1/2	17+	34	1 at any time	0.1	2.7
Florida	20 weeks of employment at average of $20 or more	1	1/2 of claimant's average weekly wage	10	33	$5	1/2 weeks of employment	10	26	4 in 20 weeks or 4 in 8 weeks and over $6,000 in any quarter	0.1	4.0
Georgia	36; with $175 in 1 quarter and wages in 2 quarters	1	1/25	8	35	$8	1/4	9	26	4 in 20 weeks	0.25	4.2
Hawaii	30; and 14 weeks of employment	[10]1	1/25 up to 66-2/3 percent of State average weekly wage	5	62	$2	Uniform	[7]26	[7]26	1 at any time	[9]0.7	[9]3.0

[1]Weekly benefit amount abbreviated in columns and footnotes as wba.

[2]Unless otherwise noted, waiting period is the same for total or partial unemployment. In Alabama, Iowa, and New Hampshire waiting period for partial benefits is 2 weeks; in New York 2-4 weeks; and in West Virginia no waiting period is required for partial unemployment. No partial benefits are paid in Montana but earnings not exceeding greater of $15 or 1 day's work of 8 hours disregarded for total unemployment.

[3]When States use a weighted high-quarter formula, annual-wage formula, or average-weekly-wage formula, approximate fractions or percentages are figured at mid-point of lowest and highest normal wage brackets. When dependents' allowances are provided, the fraction applies to the basic benefit amount. In Alaska, maximum for interstate claimants is $20; in Ohio and Wyoming, maximum amount for interstate claimants may be less than that shown.

[4]When 2 amounts are given, higher includes dependents' allowances. Higher for minimum wba includes maximum allowance for one dependent; Michigan—for one dependent child or 2 dependents other than a child; Ohio—for a dependent spouse or a dependent child if there is no spouse. In the District of Columbia and Maryland, same maximum with or without dependents. In Massachusetts maximum augmented payment not shown since such augmentation is limited only by the claimant's average weekly wage. In Alaska no dependents' allowances are paid to interstate claimants.

[5]In States noted full wba is paid if earnings are less than ½ wba; ½ wba if earnings are ½ wba but less than wba.

[6]With the exception of Montana and North Dakota, States noted have a weighted schedule, with percent of benefits based on bottom of lowest and highest wage brackets. In Montana, duration is 13, 20 and 26 weeks, depending on quarters of employment. In North Dakota, 18, 22, and 26 weeks, depending on amount of base-period earnings.

[7]Benefits are extended when unemployment in State reaches specified levels: California, Connecticut, Hawaii, Idaho, Illinois, Pennsylvania, and Vermont, by 50% and in North Carolina, by 8 weeks. In Puerto Rico, benefits are extended by 40 weeks in certain industries, occupations, or establishments when a special unemployment situation exists.

[8]For claimants with minumum qualifying wages and minimum wba. In States noted, range of duration applies to claimants with minimum qualifying wages in base period: longer duration applies with the minimum wba; the shorter duration applies with maximum possible concentration of wages in the high quarter, and therefore the highest wba possible for such base-period earnings.

[9]Rate represents minimum and maximum rates assigned to employers during calendar year 1965. Alabama, Alaska, and New Jersey also require employee taxes. Contributions required on wages up to $3,000 in all States except; Tennessee ($3,300), Arizona, Delaware, Idaho, Massachusetts, Michigan, Oregon, Pennsylvania, Rhode Island, Vermont, West Virginia, and Wisconsin ($3,600); Nevada ($3,800); California ($4,100); Utah ($4,200); Hawaii ($4,300); Minnesota ($4,800), and Alaska ($7,200).

[10]Waiting period becomes compensable if claimant is entitled to 12 consecutive weeks of benefits (Hawaii); 5 consecutive weeks (Iowa); is unemployed for at least 6 weeks and is not disqualified (Louisiana); commences other full-time work within 13 weeks after being laid off indefinitely or for a definite period of more than 4 weeks (Michigan); when benefits become payable for third consecutive week following waiting period (New Jersey); when benefits become payable for fourth consecutive week following waiting period (Maine); after benefits are paid for 4 weeks (Texas).

[11]Employers of fewer than 4 employees (not subject to the Federal Unemployment Tax Act) outside corporate limits of cities of 10,000 or more population are not liable for contributions.

[12]Or 15 weeks in last year and 40 weeks in last 2 years at average weekly wage of $15 or more (New York); or 14 weeks in base period and 55 weeks in those 52 weeks plus any base period which ended not more than 10 weeks before the start of those 52 weeks (Wisconsin).

[13]For New York, waiting period is 4 "effective days" accumulated in 1-4 weeks; partial benefits are 1/4 of wba for each 1 to 3 effective days. "Effective day": the fourth and each subsequent day of total unemployment in a week for which not more than $55 is paid.

State	BENEFITS: Wage or employment qualifications (number times weekly benefit amount unless otherwise indicated)[1]	Waiting period[2] (weeks)	Computation of weekly benefit amount (fraction of high-quarter wages unless otherwise indicated)[3]	Weekly benefit amount for total unemployment[4] (in dollars): Minimum	Maximum	Earnings disregarded in computing weekly benefit for partial unemployment[5]	Duration in 52-week period: Proportion of wages in base period[6]	Weeks of benefits for total unemployment[7]: Minimum[8]	Maximum	COVERAGE: Size of firm (minimum number of employees and/or size of payroll)	TAXES: Employer contribution rates for 1965 (percentage of wages[9]): Minimum	Maximum
Idaho	33+-38+ but not less than $572; with $365 in 1 quarter and wages in 2 quarters	1	1/23-1/26 up to greater of 52-½% of state average weekly wage or $40	17	48	1/2 wba	[6]31-29%	[7]10	[7]26	1 and $150 in any quarter	[9].9	[9]4.5
Illinois	$800; with $175 outside high quarter	1	1/20-1/26 up to $42; up to $50-$70 for claimants with 1-4 dependents	10	42-70	$7	[6]37-33%	[7,8]10-26	[7]26	4 in 20 weeks	.1	4.0
Indiana	$500; with $300 in last 2 quarters	1	1/25 up to $40; up to $43 for claimants with nonworking spouse	10	40-43	$3 from other than base-period employer	1/4	12+	26	4 in 20 weeks	.1	2.7
Iowa	$300; with $200 in 1 quarter and $100 in another quarter	[2,10]1	1/22 up to 50% of State average weekly wage	9	49	$6	1/3	11+	26	4 in 20 weeks	0	2.7
Kansas	30	1	1/25 up to 50 percent of State average weekly wage	10	49	$8	1/3	10	26	4 in 20 weeks or 25 in 1 week	0	2.7
Kentucky	1 3/8 times high-quarter wages; with 8 times wba in last 2 quarters and $250 in 1 quarter	1	1/25	12	40	1/5 wages	1/3	15	26	4 in 20 weeks or 4 in 3 quarters of preceding year and $50 per quarter for each worker	.6	4.0
Louisiana	30	[10]1	1/20-1/25	10	40	$5	2/5	12	28	4 in 20 weeks	.9	2.7
Maine	$400 (eff. 4/1/66 $600)	[10]1	2.1-1.2% of annual wages (eff. 4/1/66 1/25 up to 50 percent of State average weekly wage)	9 eff. 4/1/66 10)	34 (eff. 4/1/66 50 percent of State average weekly wage)	$10	Uniform (eff. 4/1/66 1/3)	26 (eff. 4/1/66 20)	26	4 in 20 weeks	.7	2.7
Maryland	1½ times high-quarter wages; with $192.01 in 1 quarter and wages in 2 quarters	0	1/24, plus $2 for each dependent up to $8	10-12	[4]48	$7	Uniform	26	26	1 at any time	.8	4.2
Massachusetts	$700	1	1/19-1/31, plus $6 for each dependent up to claimant's average weekly wage	10-16	50-(4/)	$10	36%	[8]8+-25+	30	1 in 13 weeks	[9]1.1	[9]3.9
Michigan	14 weeks of employment at $15.01 or more	[10]1	63-55% of average weekly wage, plus dependents' allowances of $1-$29 based on claimant's average weekly wage and number of dependents	[4]10-12	43-72	Up to 1/2 wba[5]	3/4 weeks of employment	10+	26	1 in 20 weeks or $1,000 in any year	[9]0	[9]4.6
Minnesota	$520 (eff. 7/1/66 17 weeks of employment at $26 or more but not less than $520)	1	2.2-1.3% of annual wages (eff. 7/1/66 50 percent of claimant's average weekly wage)	12 (eff. 7/1/66 13)	38 (eff. 7/1/66 47)	$6	[6]42-33% (eff. 7/1/66 7/10 weeks of employment)	18 (eff. 7/1/66 12)	26	1 in 20 weeks or 4 in 20 weeks[11]	[9].6	[9]3.0
Mississippi	36; with $130.01 in 1 quarter and wages in 2 quarters	1	1/26 up to lesser of 55% of State average weekly wage or $30	8	30	$5	1/3	12	26	4 in 20 weeks	1.24	2.7
Missouri	17 weeks of employment at $15 or more	1	1/25	3	45	$10	1/3	[8]10+-26	26	4 in 20 weeks	0	3.6
Montana	1-1/2 times high-quarter wages; with $285 in 1 quarter	[2]1	1/20-1/25	15	34	(2/)	(6/)	13	26	1 in 20 weeks or over $500 in a year	.5	2.7
Nebraska	$600; with $200 in each of 2 quarters	1	1/19-1/23	12	40	Up to 1/2 wba[5]	1/3	11	26	4 in 20 weeks or $10,000 in any quarter	.1	2.7
Nevada	33	0	1/25, plus $5 for each dependent up to lesser of $20 or 6% of high-quarter wages	16-24	41-61	$5	1/3	11	26	1 and $225 in any quarter	[9]0.6	[9]3.0
New Hampshire	$600; with $100 in each	[2]1	1.7-1.1% of annual	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Nevada	33	0	1/25, plus $5 for each dependent up to lesser of $20 or 6% of high-quarter wages	16-24	41-61	$5	1/3	11	26	1 and $225 in any quarter	[9]0.6	[9]3.0
New Hampshire	$600; with $100 in each of 2 quarters	[2]1	1.7-1.1% of annual wages	13	49	$3	Uniform	26	26	4 in 20 weeks	0.3	4.0
New Jersey	17 weeks of employment at $15 or more	[10]1	59-51% of claimant's average weekly wage	10	50	Greater of $5 or 1/5 wba	3/4 weeks of employment	12+	26	4 in 20 weeks	[9].7	[9]3.9
New Mexico	30-27+; with $156 in 1 quarter	1	1/26	10	36	$3	3/5	18	30	1 and $450 in any quarter or 2 in13 weeks	.1	3.0
New York	20 weeks of employment at average of $15 or more[12]	[2,13]1	67-50% of claimant's average weekly wage	10	55	(13/)	Uniform	26	26	1 and $300 in any quarter	1.9	4.2
North Carolina	$550; wages outside the high quarter of at least 20% of the minimum of wage bracket that includes claimant's base-period wages.	1	2.0-1.0% of annual wages	12	42	1/2 wba	Uniform	[7]26	[7]26	4 in 20 weeks	.4	3.7
North Dakota	40; and wages in 2 quarters	1	1/26 up to 50% of State average weekly wage	15	46	1/2 wba	(6/)	18	26	4 in 20 weeks	1.1	7.0
Ohio	20 weeks of employment at $20 or more	1	1/2 of claimant's average weekly wage plus $5 for first dependent and $3 each for next 2 dependents	[4]10-15	[3]42-53	1/5 wba	20 times wba for first 20 credit weeks plus 1 week for each 2 additional credit weeks	20	26	3 at any time	.6	4.7
Oklahoma	1-1/2 times high-quarter wages but not less than $300; or $3,000	1	1/26	10	32	$7	1/3	10	39	4 in 20 weeks	0.4	2.7
Oregon	20 weeks of employment at average of $20 or more but not less than $700	1	1.25% of base-period wages	20	44	1/3 wba	1/3	11+	26	1 and $225 in any quarter	[9]1.2	[9]2.7
Pennsylvania	36; with $120 in high quarter & at least 20% of base-period wages in another quarter	1	1/25 or 1/2 of full-time weekly wage if greater	10	45	Greater of $6 or 30% wba	1/2	[7]18	[7]30	1 at any time	[9]1.0	[9]4.0
Puerto Rico	21+-30 but not less than $150; with $50 in 1 quarter and wages in 2 quarters	1	1/15-1/25	7	20	wba	Uniform	[7]12	[7]12	4 at any time	2.7	3.1
Rhode Island	20 weeks of employment at $20 or more; or $1200	1	55% of claimant's average weekly wage up to 50% of State average weekly wage, plus $3 for each dependent up to $12	12-15	47-59	$5	3/5 weeks of employment	12	26	1 at any time	[9]2.7	[9]2.7
South Carolina	1 1/2 times high-quarter wages but not less than $300; with $180 in 1 quarter	1	1/26 up to 50 percent of State average weekly wage	10	40	1/4 wba	1/3	10	22	4 in 20 weeks	.6	4.1
South Dakota	1-1/2 times high-quarter wages but not less than $600; with $250 in 1 quarter	1	1/22 - 1/24	12	36	1/2 wages up to 1/2 wba	[6]32-26%	16	24	4 in 20 weeks or $24,000 in a year	0	3.6
Tennessee	36; with $286.01 in 1 quarter	1	1/26	12	38	$5	1/3	12	26	4 in 20 weeks	[9].75	[9]4.0
Texas	$375 with $250 in 1 quarter and $125 in another; or $450 with $50 in each of 3 quarters; or $1,000 in 1 quarter	[10]1	1/25	10	37	Greater of $5 or 1/4 wba	27%	10+	26	4 in 20 weeks	.1	2.7
Utah	19 weeks of employment at $20 or more but not less than $700	1	1/26 up to 50% of State average weekly wage	10	48	Lesser of $12 or ½ wba from other than regular employer	Weighted schedule of base-period wages in relation to high-quarter wages	[8]10-22	36	1 and $140 in any quarter	[9]1.1	[9]2.7
Vermont	20 weeks of employment at $20 or more	1	1/2 of claimant's average weekly wage for highest 20 weeks up to 50 percent of State average weekly wage	10	45	$10 plus $2 for each dependent up to $10	Uniform	[7]26	[7]26	3 in 20 weeks	[9]1.1	[9]4.1
Virginia	46	1	1/25	15	36	$8	[6]26 - 25%	12	26	4 in 20 weeks	0.1	2.7
Washington	$800	1	2.0-1.1% of annual wages	17	42	$12	1/3	15+	30	1 at any time	2.7	2.7
West Virginia	$700	[2]1	1.6-1.0% of annual wages	12	35	$10	Uniform	26	26	4 in 20 weeks; or 10 in 3 weeks; or 4 in any quarter and $5,000; or $20,000 in any year	[9]0	[9]2.7
Wisconsin	18 weeks of employment at average of $16 or more[12]	1	63-50% of claimant's average weekly wage up to 52½% of State average weekly wage	11	57	Up to 1/2 wba[5]	8/10 weeks of employment	14+	34	4 in 20 weeks; or $10,000 in any quarter; or $6,000 in any year	[9].25	[9]4.45
Wyoming	26 weeks of employment with 24 hours and $18 in each week plus 1½ times high-quarter wages; with $250 in 1 quarter	1	1/25 up to 50% of State average weekly wage	10	47	$10	3/10	[8]11-15	26	1 and $500 in any year	0.6	3.2

Unemployment Insurance Under State Laws, Jan. 1, 1966

INCLUDES ALL LEGISLATIVE ENACTMENTS DURING 1965

	Average Weekly Benefit Paid for Total Unemployment 1964[1]	Maximum Weekly Benefits[3]	Average Weekly Wages in Covered Employment 1964[1]	Basic Maximum Weekly Benefit as a Percentage of Average Weekly Wages: Now	Basic Maximum Weekly Benefit as a Percentage of Average Weekly Wages: 1939	Duration of Benefits by Weeks[4]	Percentage of Claimants Who Exhausted Benefits 1964[1]	Estimated Average Employer Tax Rate, 1965: Percentage of Taxable Payrolls[5]	Estimated Average Employer Tax Rate, 1965: Percentage of Total Payrolls
United States	$36	[illegible]	[illegible]			[illegible]	[illegible]	2.1%	1.2%
Alabama	26	[illegible]	[illegible]	[illegible]	87%	[illegible]	[illegible]	1.3	.8
Alaska	37	[illegible]	[illegible]	27	41	[illegible]	[illegible]	2.9	2.4
Arizona	34	[illegible]	[illegible]	41	61	[illegible]	[illegible]	1.5	1.0
Arkansas	26	[illegible][7]	[illegible]	51[7]	95	[illegible]	[illegible]	1.6	1.1
California	44	[illegible]	[illegible]	53	50	[illegible][6]	[illegible]	3.0	1.9
Colorado	43	[illegible][7]	[illegible]	50[7]	62	[illegible]	[illegible]	1.3	.7
Connecticut	38	[illegible]	[illegible]	44	56	[illegible][6]	[illegible]	2.1	1.1
Delaware	39	[illegible]	[illegible]	43	58	[illegible]	[illegible]	1.8	1.0
Washington, D. C.	38	[illegible][7]	[illegible]	51[7]	59	[illegible]	[illegible]	1.1	.6
Florida	27	[illegible]	[illegible]	35	81	[illegible]	[illegible]	1.2	.8
Georgia	28	[illegible]	[illegible]	40	87	[illegible]	[illegible]	1.3	.8
Hawaii	39	[illegible][7]	[illegible]	66[7]	85	[illegible][6]	[illegible]	2.0	1.5
Idaho	38	[illegible][7]	[illegible]	53[7]	82	[illegible][6]	[illegible]	2.2	1.5
Illinois	38	[illegible]	[illegible]	36	56	[illegible][6]	[illegible]	1.3	.7
Indiana	31	[illegible]	[illegible]	36	58	[illegible]	[illegible]	1.1	.6
Iowa	30	[illegible][7]	[illegible]	51[7]	67	[illegible]	[illegible]	.7	.4
Kansas	38	[illegible][7]	[illegible]	48[7]	66	[illegible]	[illegible]	1.4	.8
Kentucky	33	[illegible]	[illegible]	43	69	[illegible]	[illegible]	1.7	1.0
Louisiana	30	[illegible]	[illegible]	41	90	[illegible]	[illegible]	2.0	1.2
Maine	24	[illegible]	[illegible]	49	74	[illegible]	[illegible]	1.9	1.3
Maryland	33	[illegible]	[illegible]	49	65	[illegible]	[illegible]	2.5	1.5
Massachusetts	40	50 & up[8]	[illegible]	50	57	[illegible]	[illegible]	2.7	1.7
Michigan	37	[illegible]	[illegible]	34	53	[illegible]	[illegible]	2.3	1.3
Minnesota	30	[illegible]	[illegible]	46	62	[illegible]	[illegible]	1.3	.7
Mississippi	25	[illegible]	[illegible]	39	97	[illegible]	[illegible]	1.6	1.1
Missouri	33	[illegible]	[illegible]	42	61	[illegible]	[illegible]	1.4	.8
Montana	31	[illegible]	[illegible]	37	60	[illegible]	[illegible]	1.5	.9
Nebraska	34	[illegible]	[illegible]	43	66	[illegible]	[illegible]	1.0	.6
Nevada	39	[illegible]	[illegible]	34	57	[illegible]	[illegible]	2.0	1.4
New Hampshire	32	[illegible]	[illegible]	55	70	[illegible]	[illegible]	1.7	1.1
New Jersey	40	[illegible]	[illegible]	43	55	[illegible]	[illegible]	2.3	1.2
New Mexico	30	[illegible]	[illegible]	38	73	[illegible]	[illegible]	1.3	.8
New York	39	[illegible]	[illegible]	47	51	[illegible]	[illegible]	3.0	1.6
North Carolina	23	[illegible]	[illegible]	53	89	[illegible][6]	[illegible]	1.4	1.0
North Dakota	37	[illegible][7]	[illegible]	51[7]	69	[illegible]	[illegible]	2.4	1.5
Ohio	39	[illegible]	[illegible]	36	54	[illegible]	[illegible]	2.4	1.3
Oklahoma	26	[illegible]	[illegible]	33	61	[illegible]	[illegible]	1.5	.9
Oregon	35	[illegible]	[illegible]	42	53	[illegible]	[illegible]	1.9	1.3
Pennsylvania	32	[illegible]	[illegible]	44	60	[illegible][6]	[illegible]	2.9	1.7
Puerto Rico	15	[illegible]	[illegible]	38	—	[illegible][6]	[illegible]	2.7	2.3
Rhode Island	32	[illegible][7]	[illegible]	51[7]	70	[illegible]	[illegible]	2.7	1.9
South Carolina	27	[illegible][7]	[illegible]	51[7]	99	[illegible]	[illegible]	1.3	.9
South Dakota	31	[illegible]	[illegible]	42	69	[illegible]	[illegible]	.9	.6
Tennessee	27	[illegible]	[illegible]	44	78	[illegible]	[illegible]	1.8	1.2
Texas	30	[illegible]	[illegible]	39	65	[illegible]	[illegible]	.8	.5
Utah	37	[illegible][7]	[illegible]	50[7]	70	[illegible]	[illegible]	1.5	1.1
Vermont	34	[illegible][7]	[illegible]	51[7]	66	[illegible][6]	[illegible]	2.3	1.6
Virginia	28	[illegible]	[illegible]	40	74	[illegible]	[illegible]	.7	.4
Washington	33	[illegible]	[illegible]	37	57	[illegible]	[illegible]	2.7	1.5
West Virginia	24	[illegible]	[illegible]	34	59	[illegible]	[illegible]	1.2	.8
Wisconsin	43	[illegible][7]	[illegible]	52[7]	55	[illegible]	[illegible]	1.7	.9
Wyoming	39	[illegible][7]	[illegible]	50[7]	78	[illegible]	[illegible]	2.0	1.3

[1] Calendar 1964

[2] Where two figures are shown, the larger includes maximum dependents' allowances.

[3] Includes all legislation enacted in 1965 regardless of effective date.

[4] Where two figures are shown, the lower represents the shortest possible duration. In most States this is the entitlement of a claimant with minimum weekly benefits and minimum qualifying wages. But in six States a higher than minimum weekly benefit amount may result in shorter duration where the distribution of earnings is concentrated in the high quarter.

[5] Taxable wages have remained at the first $3000 of employees' earnings since 1939, except in Tennessee ($3,300); Arizona, Delaware, Idaho, Massachusetts, Michigan, Oregon, Pennsylvania, Rhode Island, Vermont, West Virginia, Wisconsin ($3,600); Nevada ($3,800); California ($4,100); Utah ($4,200); Minnesota ($4,800); Alaska ($7,200); and Hawaii (90 percent of State average annual wage).

[6] Benefits are extended when unemployment in State reaches specified levels in California, Connecticut, Hawaii, Idaho, Illinois, Pennsylvania and Vermont, by 50 percent; in North Carolina by 8 weeks; and in Puerto Rico, benefits are extended by 40 weeks in certain industries, occupations or establishments when a special unemployment situation exists.

[7] Maximum weekly benefit is determined as a specified percent of average weekly covered wages and is computed annually at 50 percent in Arkansas, District of Columbia, Kansas, Iowa, North Dakota, Rhode Island, South Carolina, Utah, Vermont, and Wyoming, 52.5 percent in Idaho and 66-2/3 percent in Hawaii; computed semi-annually in Wisconsin at 52.5 percent, and in Colorado 50 percent of average weekly wages in selected industries. The base year used for setting the maximum is not necessarily annual 1964 shown in this table, which explains why the percentage figures in the fourth column may vary slightly from the statutory percentages.

[8] Augmented amount includes $6 per dependent up to individual's average weekly wage.

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS

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GEORGE MEANY *President* — **Publication No. 36-I** — **WILLIAM F. SCHNITZLER** *Secretary-Treasurer*

Workmen's Compensation Under State Laws, Jan. 1, 1966

INCLUDES ALL LEGISLATIVE ENACTMENTS DURING 1965

Jurisdiction	Temporary Total Disability[1]		Death Benefits		Maximum[2] Medical Care	Maintenance Benefits for Vocational Rehabilitation	Coverage of Occupational Disease
	Intended Benefit as % of Weekly Wage	Actual Maximum Weekly Benefit Allowed	Maximum Duration in Weeks	Maximum Total Payments			
Alabama	[illegible]	[illegible]	300	$15,200[12]	[illegible]	No	([3])
Alaska	[illegible]	100	W,C-18[4]	.....	[illegible]	Yes	Full
Arizona	[illegible]	150[5]	W,C-18[4]	.....	.....	Yes	Limited
Arkansas	[illegible]	[illegible]	450	12,500	[illegible]	Yes	Full
California	[illegible]	70	250-293	.....	.....	No	Full
Colorado	[illegible]	49	312	15,337-18,623.50	[illegible]	No	Limited
Connecticut	[illegible]	61[6]	W,C-18[4]	.....	.....	Yes	Full
Delaware	[illegible]	50	400,C-18[4]	.....	.....	No	Full
District of Columbia	[illegible]	70	W,C-18[4]	.....	.....	Yes	Full
Florida	[illegible]	42	350	14,700	.....	No	Full
Georgia	[illegible]	37	400	12,580	[illegible]	No	Limited
Hawaii	[illegible]	112.50	W,C-18[4]	25,000[11]	.....	Yes	Full
Idaho	[illegible]	52-55	400,C-18[4]	16,000	.....	No	Limited
Illinois	[illegible]	65-76	W,C-18[4]	15,000-21,000	.....	No	Full
Indiana	[illegible]	45	450	20,000[12]	.....	No	Full
Iowa	[illegible]	46-56	300	14,250	([30])	No	Limited
Kansas	[illegible]	42	W,C-18[4]	15,000	[illegible]	No	Limited
Kentucky	[illegible]	44[6]	400	.....	[illegible]	No	Full
Louisiana	[illegible]	35	400	14,000	[illegible]	No	Limited
Maine	[illegible]	37.74[6]	W,C-18	.....	.....	Yes	Limited
Maryland	[illegible]	55	500	15,000	.....	No	Full
Massachusetts	[illegible]	50[14]	400,C-18[4]	16,000	.....	Yes	Full
Michigan	[illegible]	56-91	500	.....	[illegible][7]	Yes	Full
Minnesota	[illegible]	45	W,C-18[4]	17,500	.....	Yes	Full
Mississippi	[illegible]	35	450	12,500	.....	Yes	Not by Statute[31]
Missouri	[illegible]	52	W,C-18[4]	16,500	[illegible][7]	Yes	Full
Montana	[illegible]	[illegible]	500	14,500-25,000	[illegible][15]	Yes	Limited
Nebraska	[illegible]	42	325	13,000	.....	No	Full
Nevada	[illegible]	[illegible]	W,C-18[4]	.....	([30])	No	Full
New Hampshire	[illegible]	45	341	17,050	([27])	No	Limited
New Jersey	[illegible]	45	350,C-18[4]	.....	.....	No	Full
New Mexico	[illegible]	40	500	20,000	[illegible][17]	No	Limited
New York	[illegible]	60	W,C-18[4]	.....	.....	Yes	Full
North Carolina	[illegible]	37.50	350	12,000	[illegible][7]	No	Limited
North Dakota	[illegible]	50-65	W,C-18[4]	.....	.....	Yes	Full
Ohio	[illegible]	49[13]	.....	15,000-18,000	.....	Yes	Full
Oklahoma	[illegible]	40	.....	13,500	[illegible][7]	No	Limited
Oregon	[illegible]	39.22-72.65	W,C-18[4]	.....	.....	Yes	Full
Pennsylvania	[illegible]	50	350,C-18[4]	.....	[illegible]	No	Full
Puerto Rico	[illegible]	35	W,C-18[19]	.....	.....	No	Full
Rhode Island	[illegible]	45-57[9]	500,C-18[4]	.....	.....	No	Full
South Carolina	[illegible]	35	350	10,000	[illegible][7]	No	Full
South Dakota	[illegible]	26	.....	12,000-15,000	[illegible][21]	No	Limited
Tennessee	[illegible]	[illegible]	W,C-18[4]	14,000	[illegible]	No	Limited
Texas	[illegible]	35	360	12,600	.....	No	Limited
Utah	[illegible]	42-60	312	13,104-18,720	[illegible][7]	Yes	Full
Vermont	[illegible]	41	330	13,530	[illegible][7]	No	Limited
Virginia	[illegible]	39	300	11,700	[illegible][28]	No	Full
Washington	.....	42.60-51.23	W,C-18[4]	.....	.....	No	Full
West Virginia	[illegible]	42	W,C-18[4]	.....	[illegible][24]	Yes	Full
Wisconsin	[illegible]	68	500-1,000	18,286[25]	.....	Yes	Full
Wyoming	[illegible]	40.38-60	W,C-18[4]	13,000-23,000	.....	No	Not by Statute([29])
Federal Employes	[illegible]	121.15	W,C-18[4]	.....	.....	Yes	Full

[1] The lower figure represents the benefit for a single worker; the higher the maximum for workers with dependents.

[2] Benefits may not exceed period of time or amounts indicated.

[3] Covers only specified dust or pulmonary diseases and/or diseases caused by the inhalation of poisonous gases or fumes.

[4] "W" means payment to widow until death or remarriage; "C" means payment to children until age specified.

[5] Plus an additional $10.00 per month if there are dependents.

[6] 55 percent of 85 percent of the average wage as computed by the Employment Security Commission in Kentucky and two-thirds of the State's average weekly wage in Maine.

[7] May be extended by commission without limit.

[8] 55 percent of state's average production wage.

[9] If worker is receiving benefits under the State temporary disability insurance act, benefits under the workmen's compensation act are limited to $40.00.

[10] An additional $500 may be allowed.

[11] Dollar maximum does not apply to children under 18 nor to unmarried children over 18 for 104 weeks beyond their 18th birthday, if incapable of self-support, nor to unremarried widow physically or mentally incapable of self-support.

[12] Disability benefits already made are deducted from death benefits payable.

[13] During the first 12 weeks of disability the amount is $56.00, but thereafter, the maximum amount drops to $49.00.

[14] Provides $6.00 additional for each total dependent not to exceed the average weekly wage of the employe.

[15] In cases of occupational disease, no time limit is imposed. If employe with occupational disease is able to continue work, while undergoing medical treatment, medical benefit is limited to $1,000. In cases of total disability where the $2,500 is insufficient to meet all hospitalization expenses, additional benefits may be allowed.

[16] Benefits set in accordance with a "wage and compensation schedule period." Under this schedule, the 66-2/3 percent level is substantially adhered to for workers earning wages of $45 a week or less. For workers who earn more, the schedule fixes benefits which are less than 66-2/3 percent.

[17] Up to $15,000 may be authorized.

[18] Hospitalization for six months in addition to the $450 total medical and surgical allowance. Replacements for artificial limbs or eye together with continued medical care prescribed by attending doctor are without regard to the limitation in the law.

[19] Children studying until 25.

[20] Order of Commissioner required if aggregate exceeds $7,500.

[21] The Commissioner upon application and reasonable proof being furnished may order additional services not to exceed an aggregate cost of $18,300.

[22] Plus $2.50 for each dependent child under 21.

[23] Commission may extend for an additional period of 2 years.

[24] May be increased without limit, but no medical benefits are payable in silicosis cases.

[25] Additional death benefits payable from state fund for children.

[26] The commission may extend additional medical care in cases showing justifiable need.

[27] Reasonable medical and hospital services or other remedial care for 6 months and additional 6 month periods upon written request to the Commissioner. Commissioner may grant extension for aid not to exceed one year.

[28] Reasonable medical, surgical, and hospital treatment and supplies, apparatus, artificial members for six months, which may be extended.

[29] No specific coverage but some workers have won benefits through court decisions.

[30] Additional payments out of Medical Disaster Insurance Fund in excess of payments under Workmen's Compensation Act and Occupational Disease Act, maximum, $35,000.

[31] The one exception is radiation disease.

Source: For a more complete comparison of the laws, write to the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., for STATE WORKMEN'S COMPENSATION LAWS, Bulletin 161 with supplement. Price 30 cents.

Unemployment Compensation

AL, THURSDAY, APRIL 14, 1966

One-Sided Reform

Congress Ignores Wasteful Practices in Jobless Benefits

By JOHN F. LAWRENCE

The current effort to draft the first Congressional overhaul of the nation's 30-year-old unemployment compensation system has abundant precedent in state reform measures of recent years. But while continuing the trend to bigger benefits, Congress so far is ignoring another side of the state reforms: The drive to reduce wasteful payments.

Despite heated opposition from labor leaders, many states have managed to close loopholes which have allowed payments to pour out to pensioners—who were collecting compensation on top of Social Security and company pensions—and to an array of other individuals whose attachment to the work force was, at best, dubious. These include new mothers, Christmas-time employes in department stores, and other seasonal workers and even those who quit jobs voluntarily.

But many states have yet to act. At least a score, for example, still permit payments to pensioners and an equal number don't specifically require a recipient even to maintain an active search for work.

Actually, it's not the Administration backers of the Federal legislation who are blocking any moves to slice some of these people from the compensation rolls. Rather, it's the states themselves. Already concerned lest the Federal bill impose too many standards on the individual state programs, state officials aren't anxious to propose any Federal eligibility restrictions. And employers, who stand to lose most through higher payroll taxes to fund the bigger benefits, aren't anxious to buck the state officials.

What this translates into, however, is added waste. As the Federal bill is developing, it will probably require that all states pay recipients who qualify for full benefits an amount equal to half the average wage in the state. Nationally, the average benefit is about $37 a week and some 33 states would be required to boost payments under the new bill. Further, Congress is likely to extend the number of weeks a person can collect benefits, at least in times of recession adding perhaps 13 weeks to the 26-week maximum most states have now.

Benefiting the Deadbeats

Unfortunately, in addition to benefiting those genuinely thrown out of work by layoffs, such improvements will also benefit the deadbeats. Wall Street Journal reporters talking to the unemployed in the last two years have found a sizable minority admitting freely that they were hoping to collect the benefits for the full term and weren't especially anxious to find a job, at least until benefits ran out. This was particularly true of pensioners, more than a few of whom actually could add up more income from compensation, pension and Social Security than they made on the job.

Just how much potential savings could come from eliminating such payments is pointed up dramatically in Pennsylvania, where Gov. Scranton managed to push through a reform measure in 1964 over violent AFL-CIO opposition. (Union leaders are still fighting to have some of the reforms repealed.)

In the first full fiscal year (ended last June 30), under the reformed system, Pennsylvania was able to eliminate or reduce payments to 44,500 pensioners, saving more than $16 million. All told, the state's tightened requirements saved $30 million in benefits that previously would have been paid, or 23% of the state's total benefit payments of $132 million. At the same time, despite a

refuse suitable work when offered, who are retired and drawing pensions, who are on vacations, and who for a variety of reasons are not really 'available for work' even though they may satisfy the technical requirements of the law on the basis of the inadequate tests that can be applied by a public employment service office."

Few union leaders are willing to concede that a significant number even of these individuals wouldn't snap up a job if offered to them. Supporting their view is Albert B. Tieburg, director of California's employment department, one state administrator who strongly supports the Federal legislation.

"We had thousands of women with seasonal jobs in the canneries and people were screaming they shouldn't be paid benefits during the off season because they weren't really looking for work," he relates. "Then the food freezing industry started and those women literally fought for those jobs" in what had been the off season. "My impression is the great bulk of people do want a job," he concludes.

Not Many Looking

Talks with the unemployed, however, suggest that however quickly some might grab up a good job, many of those of the type described by the NAM representative are by no means conducting an agonizing search for such an offer. One grandmother in Pittsburgh, for example, admitted to collecting unemployment compensation every year since 1950 following a regular summer park job. A retired 69-year-old overhead crane operator would take another overhead crane job and that's all. He admitted he was neither likely to find such a post at his age nor particularly worried about it. "I wasn't going to put in for compensation but the company said I was entitled to it."

Even granting the argument that the broadest possible coverage serves to benefit the economy in bad times, hence isn't wasteful, personnel men point to another consideration—the matter of conserving benefits for those who deserve them most. In a year in which Vietnam has forced the Administration into some difficult choices between heavier spending for weapons or for welfare and other antipoverty efforts, it should be clear that an endless supply of cash isn't always available, some critics observe.

The NAM representative points out that the types of cases he describes "are not necessarily fraudulent. But they are expensive and they deplete the funds that should be available for payments to people who are involuntarily unemployed."

While employers and many state administrators agree with this view, most currently want to reserve the reform efforts for the individual states to undertake. They make a strong case for letting the states tailor eligibility, as well as most other standards, to local needs.

"Letting Congress get into that would just open the floodgates," contends one compesation expert.

Instead, state officials are fighting at least to prevent Congress from writing anything into the new legislation to make closing the loopholes any more difficult. One state official insists some current language being considered could be interpreted to prevent states from cutting pensioners off the rolls or reducing their payments by the amount of Social Security they receive.

Labor Department's Veto

fits that previously would have been paid, or 23% of the state's total benefit payments of $132 million. At the same time, despite a boom year, provisions to increase payments to the qualified unemployed added $4 million to the year's benefits and would add considerably more in a time of recession.

The Pennsylvania reforms also point up the severe battle state officials and employers face in closing any such loopholes. Despite the fact it did boost payments to fully qualified recipients and added to taxes paid into the compensation fund by employers, one union pamphlet described the reform as the Scranton "ripper" bill. The Pennsylvania AFL-CIO insists the savings effected in the last fiscal year were at the expense of creating severe hardships among some unemployed.

More than hardship is involved, in the unions' reasoning, however. Union officials generally contend that by softening the blow to the economy as well as to the individual in periods of widespread unemployment, the benefits of the insurance far outweigh any waste. Thus, they contend the benefits should include retirees who may need a job to supplement pensions and Social Security.

There's little disagreement on either side about the value of the compensation system. But employers and many state administrators insist it shouldn't be construed as a welfare program. Rather, they say, it's designed to require employers to pay into a fund to support people that are laid off during a reasonable period of job hunting. "There's no question the Administration is making the system part of the war on poverty," complains one California management man.

To help avoid making it a welfare program, a representative of the National Association of Manufacturers, typical of many company officials, calls for removal from the system "the people who have quit voluntarily, who are not looking for jobs, who amount of Social Security they receive.

Labor Department's Veto

These officials also are pressing for Congress to permit judicial review of the Labor Department's right, under current law, to veto some state reforms. The department can do this by declaring a state's program "out of conformity" with the guidelines already written into Federal law. Actually, this power hasn't been used to block many reforms, but state officials nonetheless consider it a potent club. Before introducing the reform measure in Pennsylvania, Scranton aides checked it closely with the Government. And one notable reform in South Dakota was effectively killed by the department. This proposed reform involved delaying compensation payments to workers thrown out of a job who previously had had a high level of earnings.

Some state administrators already are talking among themselves about enacting in their own states some severe restrictions, at least as to who can collect the extended Federal benefits during recessions. Some even talk of going so far as to limit these payments to the primary wage earner, eliminating the possibility of two recipients in one family.

As compelling as is the argument about keeping the loophole question out of Congress, two factors would seem to warn against passing up too quickly the chance for at least some measure of national reform. One is that the Federal legislation will set some standards on the side of fatter benefits. The other is that the history of state reforms suggests the best time to push through some eligibility reforms over union protests is while adding to the benefits the fully qualified unemployed will receive.

Moreover, reform at both the state and Federal levels is going to be difficult to win as long as labor leaders fail to see that a good insurance program is hardly one that rewards those who abuse it.

OA - Protective Legislation

AMENDMENTS To EMPLOYMENT SECURITY LAW

SUBSEQUENT TO
MARCH 1960

ENACTED IN
1964 AND 1966

BEN T. HUIET
Commissioner
Department of Labor of Georgia
Employment Security Agency
ATLANTA

AMENDMENTS TO THE GEORGIA EMPLOYMENT SECURITY LAW SUBSEQUENT TO MARCH, 1960

1964 Amendments

Section 9 (c) amended, effective March 4, 1964, as follows:

"Money credited to the account of this State in the Unemployment Trust Fund by the Secretary of the Treasury of the United States of America pursuant to section 903 of the Social Security Act, as amended, may be requisitioned and used in the payment of expenses incurred for the administration of this Act pursuant to a specific appropriattion by the legislature, provided that the expenses are incurred and the money is requisitioned after the enactment of an appropriation law which:

"(A) specifies the purposes for which such money is appropriated and the amount appropriated therefor,

"(B) limits the period within which such money may be expended to a period ending not more than two years after the date of the enactment of the appropriation law,

"(C) limits the amount which may be used during a twelve-month period beginning on July 1 and ending on the next June 30 to an amount which does not exceed the amount by which (i) the aggregate of the amounts credited to the account of this State pursuant to section 903 of the Social Security Act, as amended, during the same twelve-month period and the nine preceding twelve-

month periods, exceeds (ii) the aggregate of the amounts used pursuant to this subsection and charged against the amounts credited to the account of this State during any of such ten twelve-month periods. For the purposes of this subsection, amounts used during any such twelve-month period shall be charged against equivalent amounts which were first credited and which are not already so charged; except that no amount used for administration during any such twelve-month period may be charged against any amount credited during such a twelve-month period earlier than the ninth preceding such period."

Section 10 added new paragraph, effective April 1, 1964, as follows:

"The director shall exercise all authority granted by law to the Commissioner of Labor which the Commissioner of Labor may delegate to him in writing with respect to the collection of contributions, or taxes, due under this Chapter. He shall execute all documents and papers, including assessments for taxes, executions for taxes, jeopardy assessments, and all other documents necessary in the performance of such duties and the exercise of such authority. Any such tax execution, assessment, or other document signed and executed by the director of the Employment Security Agency shall be of the same force and effect as if signed and executed by the Commissioner of Labor."

Section 14 (e) amended effective April 1, 1964, as follows:

"(e) Execution for collection of tax; affidavit of illegality.—In addition to any other method provided by law for the collection of contributions, any contribution not paid when

due, including any interest, penalty and costs thereon, may be collected by the Commissioner of Labor, by and with the same authority as is contained in sections 92-3306 and 92-8443 of the Code of Georgia Annotated providing for the collection of taxes by the State Revenue Commissioner. If any contribution, or tax, imposed by this Chapter is not paid within 10 days after notice and demand from the Commissioner of Labor, the Commissioner shall issue an execution directed to the sheriff, or his lawful deputies, of any county of the State, requiring said officer to levy upon and sell the real or personal property of any delinquent taxpayer, found within his county, in sufficient amount to satisfy the said execution so issued, together with penalties, interest, and all costs of executing and collecting the said execution, and to return such execution to the Commissioner of Labor, together with all such sums collected under and by virtue thereof, by a time to be therein specified, not more than 60 days from the date of the execution. The sheriff of any such county shall, within 10 days after the receipt of any such execution from the Commissioner of Labor, file the same, together with his entry of levy, with the clerk of the superior court of the county of the taxpayer's residence, and it shall thereupon be the duty of the clerk of the superior court to enter the said execution on the general execution docket of the superior court of said county in the same manner and form as prescribed by the general laws of the State of Georgia relating to executions issued by the superior court of this State, and said execution when so docketed shall become a lien on the title to and interest in all real and personal property of the said taxpayer against whom the said execu-

tion was issued in the same manner as if the said judgment had been duly issued from the superior court of taxpayer's residence and duly recorded on the general execution docket: Provided that nothing herein contained shall prevent the Commissioner of Labor from having said fi. fa. entered upon the general execution docket prior to the time the same is turned over to the sheriff for collection and when said fi. fa. is so entered on the general execution docket it shall be entitled to all the priorities accorded to other tax executions under the general law of this State, from the date of record. The sheriff shall thereupon proceed upon the same in all respects, with like effect and under the same rules as prescribed by the general laws relating and with respect to executions issued by any superior court of this State or other court of record, and shall be entitled to the same fees for his services in executing and collecting the said execution as allowed by law for like services to be collected under any superior court execution. In the event that any taxpayer may desire to contest the said execution, he may do so by filing an affidavit of illegality with the levying officer at the time of the levy, arresting the same as now prescribed by the general laws relating to the filing of affidavits of illegality, and when said affidavit of illegality is so filed and the tax is paid or bond for the eventual condemnation money is given it shall be the duty of the levying officer to return the said execution, together with the affidavit of illegality bond, and in case of personal property, bond for the forthcoming of the property, to the clerk of the superior court of the county of the taxpayer or defendant in execution, and the superior court of the said county shall then and there, at the first or next term,

cause the said issue so made to be tried by a jury in the superior court of the county of the residence of the taxpayer, under the same rules of law and evidence as prevail in this State. It shall be the duty of counsel for the Employment Security Agency to represent the Commissioner of Labor when any such cases or contests made by affidavits of illegality are filed in any county or any legal action in courts results from the issuance of any execution. The Commissioner of Labor, with respect to the administration of the Employment Security Law and the collection of contributions thereunder, shall have all of the rights, authority and prerogatives provided the State Revenue Commissioner for securing reports and the collection of taxes as contained in Title 92 of the Code of Georgia Annotated."

Section 14 (f) added, effective April 1, 1964, as follows:

"(f) Taxes made personal debt; attachment and garnishment; levy.—All contributions, or taxes, under this chapter are hereby made a personal debt of the person required hereunder to file the returns or to pay the taxes imposed hereby. The Commissioner of Labor, or his authorized representative, may attach the property of a delinquent taxpayer on any ground provided by section 8-101 of the Code of Georgia Annotated or on the ground that the taxpayer is liquidating his property in an effort to avoid payment of the tax. The Commissioner of Labor, or his authorized representative, may use garnishment to collect the tax imposed by this Chapter. Garnishment may be issued by the Commissioner of Labor in the same manner as is provided for the issuance of garnishment by tax collectors in Chapter 92-75 of the Code

of Georgia Annotated. In case of neglect or refusal by a taxpayer to pay any taxes under this Chapter due the State, the Commissioner of Labor, or his authorized representative, may levy upon all property and rights to property, except such as are exempt by law, belonging to such taxpayer, for the payment of the sum due, with interest and penalty for nonpayment, and also of such further sum as shall be sufficient for the fees, costs and expenses of such levy. The Commisioner of Labor, or his authorized representative, may levy and conduct judicial sales in the manner now provided for sales by sheriffs and constables. Levy, in the case of personal property, shall be advertised 10 days before the date of sale, which advertisement shall designate the time and place of sale, giving a reasonable description of the property to be sold, and be posted in three public places in the county, and inserted at least one time in the newspaper in which sheriff's sales in such county are advertised. The sales shall be at the courthouse of the county in which the property levied on is situated, and be between the hours of 10 a.m. and four o'clock p.m. In the event the levy is upon real property, the said Commissioner of Labor, or his authorized representative, after making said levy, shall make a return of such levy on the execution to the sheriff of the county in which the property is located, and such sheriff shall proceed to advertise and sell the same as required by law."

Nothing in this Act shall be construed to affect executions heretofore issued by the State Revenue Commissioner for delinquent taxes due the State of Georgia under the provisions of the Georgia Employment Security Law and all executions, affidavits of illegality,

suits and other proceedings relating to taxes or contributions pursuant to the Georgia Employment Security Law shall be prosecuted by the Commissioner of Labor to final judgment and conclusion. (Act No. 879, Section 5, effective April 1, 1964)

Section 3 (b) amended, effective July 1, 1966, as follows:

"(b) Weekly Benefit

"(l) Amount—

"An individual's "weekly benefit amount" shall be the amount appearing in Column B in the table of this section on the same horizontal line on which appears in Column A of said table the total insured wages paid such individual in that quarter of his base period in which such total wages were highest, provided insured wages were paid such individual during two or more quarters of his base period and the total of such wages equals or exceeds the amount shown in Column C of the table on the same line.

COLUMN A	COLUMN B	COLUMN C
Wages Paid in Highest Quarter of Base Period	Weekly Benefit Amount	Qualifying Wages in Base Period
$ 175.00 - $ 199.99	$ 8	$ 288
200.00 - 224.99	9	324
225.00 - 249.99	10	360
250.00 - 274.99	11	396
275.00 - 299.99	12	432
300.00 - 324.99	13	468
325.00 - 349.99	14	504
350.00 - 374.99	15	540
375.00 - 399.99	16	576
400.00 - 424.99	17	612
425.00 - 449.99	18	648
450.00 - 474.99	19	684
475.00 - 499.99	20	720
500.00 - 524.99	21	756
525.00 - 549.99	22	792
550.00 - 574.99	23	828
575.00 - 599.99	24	864
600.00 - 624.99	25	900
625.00 - 649.99	26	936
650.00 - 674.99	27	972
675.00 - 699.99	28	1,008
700.00 - 724.99	29	1,044
725.00 - 749.99	30	1,080
750.00 - 774.99	31	1,116
775.00 - 799.99	32	1,152
800.00 - 824.99	33	1,188
825.00 - 849.99	34	1,224
850.00 - 874.99	35	1,260
875.00 - 899.99	36	1,296
900.00 - 924.99	37	1,332
925.00 - 949.99	38	1,368
950.00 - 974.99	39	1,404
975.00 - 999.99	40	1,440
1,000.00 - 1,024.99	41	1,476
1,025.00 - 1,049.99	42	1,512
1,050.00 and over	43	1,548

"The foregoing Benefit Table shall be effective with benefit year beginning July 1, 1966, and through June 30, 1967.

"Provided, there shall be added to the foregoing Benefit Table two (2) additional steps effective with benefit years beginning July 1, 1967 increasing the Weekly Benefit

Amount to a maximum of forty-five dollars ($45.00), with the Benefit Table remaining the same except for the last step and the two additional steps which shall then read:

Column A	Column B	Column C
$1,050.00 - $1,074.99	$43	$1,548
1,075.00 - 1,099.99	44	1,584
1,100.00 and over	45	1,620

"Provided, however, that benefits shall not be paid for any week during which the employee is engaged in picketing or is a participant in a picket line at the factory, establishment, or other premises at which he is, or was last, employed, even though the stoppage of work shall have ceased and operations have been resumed.

"(2) Duration—

"Any otherwise eligible individual shall be entitled during any benefit year to a total amount of benefits equal to twenty-six (26) times his weekly benefit amount or one-fourth (¼) of his wages for insured work paid during the base period, whichever is the lesser; provided that such total amount of benefits, if not a multiple of the weekly benefit amount, shall be adjusted to the nearest multiple of the weekly benefit amount."

Section 4 (c) amended, effective April 1, 1966, as follows:

"Provided further, that satisfactory attendance and satisfactory progress in a training course approved by the Employment Security Agency shall be evidence of availability and an otherwise eligible individual shall not be ineligible to receive benefits while attending such training course."

Section 5 added new paragraph, lettered (g), effective April 1, 1966, as follows:

"(g) Who is attending a training course as provided in Section 4(c) of the Act (Section 54-609 Ga. Ann. Code) and voluntarily quits attending such course without good cause, shall be disqualified for benefits under the provisions of Section 5 (a) (Section 54-610 (a) Ga. Ann. Code) providing for a disqualification for voluntarily quitting a job."

Section 7 (c), Paragraph (2), added new paragraph lettered (D), effective April 1, 1966, as follows:

"(D) If an individual's employment was terminated by the retirement of the individual pursuant to a retirement or lump-sum retirement pay plan under which the age of mandatory retirement has been agreed upon by the employer and his employees or by the bargaining agent representing such employees, any such benefits paid to such individuals shall be charged against the fund and not against the account of the employer."

Section 7 (c), paragraph (5), added new paragraph, effective April 1, 1966, as follows:

"Provided however, that as of any computation date, any employer who has failed to file by the end of the month following any computation date (unless the time for filing reports has been extended under Section 16 (e) (Section 54-632.1 Ga. Ann. Code)) all required reports with respect to employment and wages paid together with such other information as is necessary to compute his contribution rate under this section, shall not be eligible for a reduced rate but shall be assigned the standard rate of 2.7 per centum if his account shows an excess of con-

tributions paid over benefits charged, or the maximum rate of 4.2 per centum if his account shows an excess of benefits charged over contributions paid. Such rate shall remain effective until the end of the calendar year for which such rate has been assigned.", so that said paragraph (5) of subsection (c) of Section 7, when so amended, shall read as follows:

"(5) For the year 1942 and each calendar year thereafter, employers shall be classified in accordance with their actual experience in the payment of contributions, and with respect to benefits charged against their accounts, with a view of fixing such contribution rates as will reflect such benefit experience. Each employer's rate for any calendar year shall be determined on the basis of his record as of the computation date for that calendar year.

"Provided, however, that as of any computation date, any employer who has failed to file by the end of the month following any computation date (unless the time for filing reports has been extended under Section 16 (e) (Section 54-632.1 Ga. Ann. Code)) all required reports with respect to employment and wages paid together with such other information as is necessary to compute his contribution rate under this section, shall not be eligible for a reduced rate but shall be assigned the standard rate of 2.7 per centum if his account shows an excess of contributions paid over benefits charged, or the maximum rate of 4.2 per centum if his account shows an excess of benefits charged over contributions paid. Such rate shall remain effective until the end of the calendar year for which such rate has been assigned."

Section 7 (c), paragraph 7 (iv), amended effective April 1, 1966, as follows:

"(iv) The term "computation date" means December 31, of each calendar year with respect to rates applicable to the succeeding calendar year for each employer whose account could have been chargeable with benefits throughout the twelve consecutive calendar months period ending on the "computation date"; provided, however, that any corporation, partnership, individual, or other legal entity, who acquires by purchase, merger, consolidation, or other means, substantially all of the business, or assets thereof, of any employer, and who thereafter continues such acquired business, shall be deemed to be a successor to the predecessor from whom such business was acquired for purposes of Section 7, and, if not already an employer prior to such acquisition, shall become an employer on the date of such acquisition. The successor shall succeed to the employment benefit experience record of the predecessor. If the successor is not already an employer at the time of such acquisition, the rate of contributions applicable at such time to the predecessor unit shall continue to be applicable to the successor as to contributions payable based on wages of employees, of such acquired unit only, until the time hereinafter stipulated, but if the successor is already an employer at the time of such acquisition, the rate of contributions applicable to the successor at the time of the acquisition shall continue to be applicable to the successor after the acquisition until the time hereinafter stipulated. In either case, such rate, or rates, shall continue in effect until the first day of the next calendar quarter immediately following such acquisition, at which time it

shall be the duty of the Commissioner to compute a rate based upon the combined employment benefit experience record of the predecessor and successor, subject to the provisions of subsection (6) (i) hereof, which rate shall be applicable to the successor from the first day of such quarter until the next computation date hereunder. Commencing with the next calendar quarter after acquisition, the employment experience of the former employer and the successor employer shall be combined, and the rate of the successor for such quarter and thereafter shall be based on such combined experience. All rates thereafter shall be computed on the basis of such combined employment benefit experience records. The Commisioner shall prescribe by regulation the notice to be given of such acquisition. The provisions of this subparagraph shall apply to all contributions payable by a successor, regardless of whether or not such succesor acquired the business, or assets thereof, from his predecessor prior or subsequent to the effective date of this subparagraph.

"It is further provided that in cases where a corporation, partnership, individual, or other legal entity acquires any clearly indentifiable or segregable portion of the business of an employer, and such successor is an employer at the time of the acquisition, or becomes an employer before or within the two calendar quarters immediately following the quarter in which the acquisition was made, or within one complete calendar quarter after the passage of this Act, whichever is later, the Commissioner shall upon notice of such acquisition and with the mutual consent of both parties, transfer to such successor the portion of the predecessor's payroll records

and experience rating records which are attributable to the portion of the business which was acquired. The Commissioner shall prescribe by regulation the period within which notification of such acquisition shall be given and the method by which the experience to be transferred shall be computed. The experience rating records of the predecessor employer, as thus computed, shall be used as the basis for the contribution rate of the successor; provided that, where the successor is an employer the experience rating records transferred shall be combined with his experience rating records effective as of the first day of the next calendar quarter immediately following such acquisition, at which time it shall be used to compute a rate based upon the combined experience of the predecessor and successor. Nothing in this subparagraph shall be construed to authorize or require that refund of any sums lawfully paid into the trust fund created by Section 9 (a), or to otherwise use any of the same except to pay compensation benefits, provided, that if and when the Federal Social Security Law or any other Federal Unemployment Compensation Law should in the future be so amended as to: (1) Reduce the basic period of time experience for reduced rating or (2) give to war veterans the benefit of time in the service in computing said base period or (3) allow war veterans concessions in computing base period experience by adding that served in one employing entity to that served in another employing entity, whether successor or not, then the Commissioner of Labor is hereby authorized to give effect to any or all such amendments for the benefit of Georgia employers by Executive Order."

Section 7 (c), paragraph 8, amended effective April 1, 1966, as follows:

"(8) If on the last day of any calendar quarter the balance in the Unemployment Compensation Trust Fund is less than one hundred fifty million dollars ($150,000,000), each employer whose rate of contribution is computed in accordance with subsection (c) of Section 7, shall have an additional rate of 0.5 per centum added to such computed rate, but not to exceed a cumulative contribution rate of 4.2 per centum. Such additional rate shall become effective on his taxable payroll on the first day of the immediately following calendar quarter and shall continue in effect until the last day of that calendar year.

"Provided, however, that if on the last day of any calendar year the balance in the Unemployment Compensation Trust Fund is less than one hundred twenty-five million dollars ($125,000,000), the additional rate shall be 1.0 per centum effective on the first day of the next calendar year, and shall continue in effect until the last day of that calendar year.

"Provided further, that if on the last day of any calendar year the balance in the Unemployment Compensation Trust Fund is less than one hundred million dollars ($100,000,000), the additional rate shall be 1.5 per centum effective on the first day of the next calendar year and shall continue in effect until the last day of that calendar year.

"Provided further, that if on the last day of any calendar year, the balance in the Unemployment Compensation Trust Fund is less than seventy-five million dollars ($75,000,000), the additional rate shall be 2.0 per centum effective on the first day of the next

calendar year and shall continue in effect until the last day of that calendar year.

"Notwithstanding any other provision herein, any additional rate imposed by this section shall be in addition to the computed rate each year for eligible employers, but not to exceed a cumulative contribution rate of 4.2 per centum. The provisions of this paragraph (8) of subsection (c) of Section 7 shall operate prospectively as and when in the future said conditions shall be found to exist.

"The Commissioner will give notice to each employer of any rate change by reason of the above provisions."

Section 14 (b), paragraph (1), added new paragraph, effective April 1, 1966, as follows:

"(l) If, after due notice, any employer defaults in any payment of contributions or interest thereon, the amount due, including any penalty, may be collected by civil action in the name of the Commissioner, and the employer adjudged in default shall pay the cost of such action. Civil actions brought under this Section to collect contributions, interest or penalty thereon from an employer shall be heard by the court at the earliest possible date and shall be entitled to preference upon the calendar of the court over all other civil actions except petitions for judicial review under this Act and cases arising under the Workmen's Compensation Law of this State, and other actions to which the State is a material party, which are now given precedence.

"Any employer failing to make return or to pay the contributions levied under this Chapter for a period of ninety days after the end of the calendar quarter for which the re-

ports and contributions are due, and who has not ceased to be an employer as provided therein, may be enjoined from employing individuals in employment as defined in this Chapter upon the complaint of the Commissioner, or his designate, in the Superior Court of any county in which said employer may be doing business; and such employer so failing to make return or to pay contributions levied hereunder shall be enjoined from employing individuals in employment until such return shall have been made and the contributions shown to be due thereunder paid to the Commissioner."

Section 19 (h) (7) (M) amended effective March 2, 1966, as follows:

"Section 19(h) (7) (M). Service performed by an individual for an employer as an insurance agent or as an insurance solicitor or as a licensed real estate salesman, if all such service performed by such individual for such employer is performed for the remuneration solely by way of commission."

Section 19 (n) added new paragraph, numbered (3), effective July 1, 1966, as follows:

"(n) "Wages" means all remuneration for personal services, including commissions and bonuses and the cash value of all remuneration paid in any medium other than cash. The reasonable cash value of remuneration in any medium other than cash shall be estimated and determined in accordance with the rules prescribed by the Commissioner, provided, that the term "wages" shall not include, ***:

"(3) Payments made after July 1, 1966 as commission by a real estate broker to a licensed real estate salesman exclusively for the sale of real property; and"

KENTUCKY AFL-CIO GOALS FOR IMPROVING UNEMPLOYMENT COMPENSATION

1. Individual Weekly Benefits Shall Be AT LEAST 65% of Worker's Past Full-time Earnings.

2. Maximum Basic Benefit Should be NOT LESS THAN TWO-THIRDS of State's Average Weekly Wage in Covered Employment.

3. Elimination of One-Week waiting Period Before Benefits Can Be Paid.

4. Dependency Benefits.

5. Benefits Shall be Payable for Not Less Than 39 Weeks.

6. Liberalized Eligibility Requirements.

7. Elimination of Excessive and Arbitrary Disqualification Provisions.

8. Extending Coverage to State and Local Government Employees.

9. Extending Coverage to Employers of One or More Workers.

10. Elimination of Employer Experience Rating.

Additional Copies May Be Obtained From

DEPARTMENT OF RESEARCH AND EDUCATION
KENTUCKY STATE AFL-CIO
706 E. Broadway
Louisville, Kentucky 40202

LAID OFF?

Unemployment Benefits Are For You

IF

You Qualify

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Department of Research and Education

KENTUCKY STATE AFL-CIO

HENRY SEIBERT
President

JOHN E. McKIERNAN
Executive Vice-President

SAM EZELLE
Executive Secretary-Treasurer

LEONARD S. SMITH
Legislative Chairman

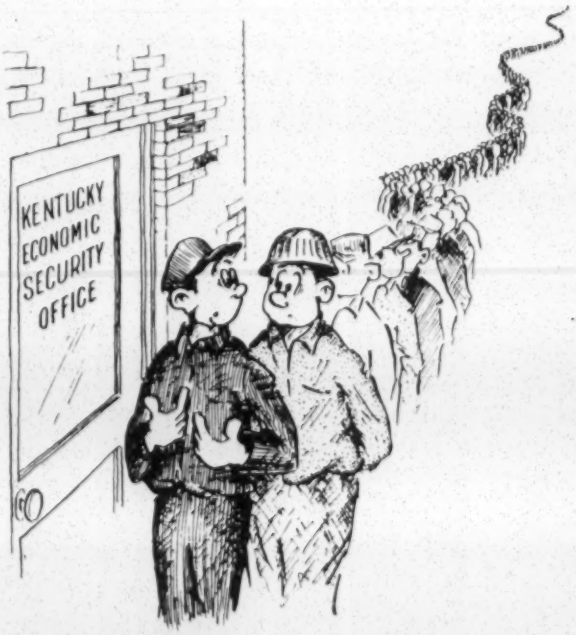
WHO IS COVERED?

Generally, every employer in Kentucky who has four or more workers regularly employed for any length of time, is required to provide unemployment compensation coverage.

Employers who regularly employ fewer than four workers may provide coverage by voluntarily subscribing to the Act.

Federal government employees are entitled to compensation on the same basis as other workers.

State and local government employees in Kentucky are NOT COVERED under the law — with only one exception, the employees of the Department of Economic Security.



"Is this a recession or a depression?"

HOW DO I APPLY?

To gain your benefits first file your claim at the nearest Economic Security Office.

WHERE TO FILE IN KENTUCKY

City	Address
Ashland	1840 Carter Ave.
Bardstown	County Building
Bowling Green	803 Chestnut St.
Corbin	P.O. Box 479, 408 E. Center N.E.
Covington	320 Garrard St.
Danville	121 E. Broadway
Elizabethtown	229 N. Miles St.
Frankfort	High and Mero Sts.
Glasgow	P. O. Box 110, 445 N. Green St.
Harlan	119 S. Cumberland Ave.
Hazard	P. O. Box 679, High Street
Henderson	212 N. Water St.
Hopkinsville	313 E. Seventh St.
Jackson	Hogg Building
Lexington	300 S. Upper St.
Louisville	600 W. Cedar
Madisonville	56 Federal St.
Mayfield	319 S. Seventh St.
Maysville	Kehoe Viaduct
Middlesboro, P. O. Box 96, 2105	Cum'land
Morehead, P. O. Box 147	Bradley Ave.
Owensboro	215 E. Fourth St.
Paducah	416 S. Sixth St.
Pikeville	216 College St.
Prestonsburg	North Lake Drive
Somerset	203 W. Mt. Vernon St.
Whitesburg	Webb Ave.
Winchester	15 W. Lexington Ave.

WHEN TO FILE

File your application the first day the office is open after you become unemployed, unless special arrangements have been made in the case of mass layoffs.

WHAT TO TAKE WITH YOU

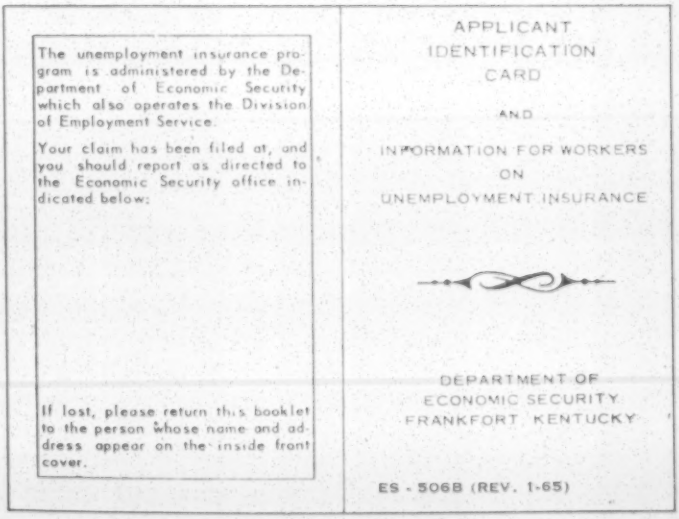
1. Social Security card.

2. Name and address of the last company for which you worked.

3. Know your approximate earnings.

VETERANS should take a copy of their discharge papers.

FEDERAL GOVERNMENT EMPLOYEES should take their separation papers.



The unemployment insurance program is administered by the Department of Economic Security which also operates the Division of Employment Service.

Your claim has been filed at, and you should report as directed to the Economic Security office indicated below:

If lost, please return this booklet to the person whose name and address appear on the inside front cover.

APPLICANT IDENTIFICATION CARD

AND

INFORMATION FOR WORKERS ON UNEMPLOYMENT INSURANCE

DEPARTMENT OF ECONOMIC SECURITY FRANKFORT, KENTUCKY

ES - 506B (REV. 1-65)

HOW TO FILE

1. Keep the applicant identification card that will be given you at the Economic Security Office. **IMPORTANT!** This is your identification, do not lose it. It is also important that you read this booklet, and take it with you each time you visit the Employment Security Office.

2. You will be registered for employment. The following form must be filled out. If you will need assistance someone will help you.

3. You must report back to the Economic Security Office every two weeks. BE SURE YOU REPORT ON THE DATE AND HOUR YOU ARE ASKED. BE ON TIME!

4. After you have filed your claim it will be necessary for you to report at a later date. You will be given a notice of Benefits Rights which shows your earnings, benefit rate and the maximum amount you can receive if you meet the requirements of the law.

5. You must keep yourself attached to the labor market. One attempt to obtain employment by personal contact is **not** considered sufficient effort to obtain employment.

INITIAL CLAIM FOR BENEFITS

DATE CLAIM FILED (A) | DATE 412-A MAILED (B) | (C) I. O. and County No. | (D) UI UCX UCFE

(1) NAME FIRST MIDDLE LAST | (2) SS No.

(3) ADDRESS St. and NO. OR RFD CITY STATE | (4) Effective Date of Claim MONTH DAY YEAR

(5) Last Employer's Name | (7) Length of Employment YEARS MONTHS WEEKS | (8) Male ☐ Female ☐

(6) Employer's Address | (9) Last Day Worked MONTH DAY YEAR | (10) Date of Birth MONTH DAY YEAR

(11) Occupation Code

(12) Claimant's reason for separation: Lack of Work ☐ Voluntarily Quit ☐ Discharged ☐ Labor Dispute ☐ | (13) Job Connection ☐ | (14) TRANSITIONAL YES ☐ NO ☐

(15) Have you had Federal civilian or military service within the past 18 months? ☐ Yes ☐ No

If employment in Item (7) is less than 6 months complete Item (16)

(16) Name and address of employer for whom claimant performed the major portion of his services during the base year: →

(17) CERTIFICATION: I hereby register for work and make application for a determination of my benefit rights. I certify that the above information, which was furnished by me, is true and correct to the best of my knowledge. This certification is made with full knowledge that false statement knowingly made to secure benefits are punishable by fine and imprisonment.

(20) REMARKS | (18) SIGNATURE OF CLAIMANT | (19) EMPLOYEE'S SIGNATURE CLERK NUMBER

COMMONWEALTH OF KENTUCKY
DEPARTMENT OF ECONOMIC SECURITY
DIVISION OF UNEMPLOYMENT INSURANCE

U.I. 401
REV. 1-65

IF YOU EARNED WAGES IN ANOTHER STATE

The claims-taker will advise you if it will be to your advantage to file an out-state claim or you may be able to file a combined claim with a state in which you have additional earnings.

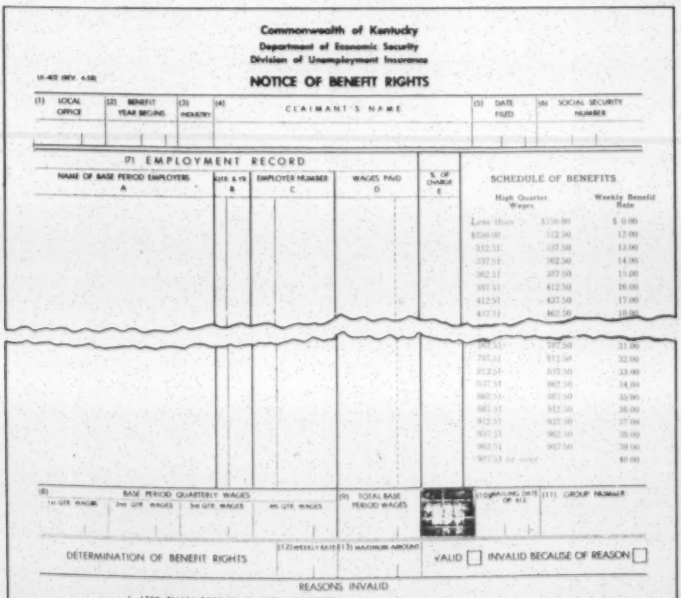
If you have a claim with another State or the Railroad Retirement Board, you cannot file a claim in Kentucky until you receive all the benefits to which you are entitled.

AM I ELIGIBLE?

You must first file a claim to receive benefits, then:

1. Be able, available, and willing to accept suitable work.

2. Have earnings of not less than $250.00 in your highest yearly quarter of earnings PLUS additional earnings of at least ⅜ times the high



Commonwealth of Kentucky
Department of Economic Security
Division of Unemployment Insurance

UI-402 (REV. 4-58)

NOTICE OF BENEFIT RIGHTS

(1) LOCAL OFFICE	(2) BENEFIT YEAR BEGINS	(3) INDUSTRY	(4) CLAIMANT'S NAME	(5) DATE FILED	(6) SOCIAL SECURITY NUMBER

(7) EMPLOYMENT RECORD

NAME OF BASE PERIOD EMPLOYERS A	DATE & YR B	EMPLOYER NUMBER C	WAGES PAID D	% OF CHARGE E

SCHEDULE OF BENEFITS

High Quarter Wages	Weekly Benefit Rate
Less than $250.00	$ 0.00
$250.00 - 312.50	12.00
312.51 - 337.50	13.00
337.51 - 362.50	14.00
362.51 - 387.50	15.00
387.51 - 412.50	16.00
412.51 - 437.50	17.00
437.51 - 462.50	18.00
462.51 - 487.50	19.00
487.51 - 512.50	20.00
512.51 - 537.50	21.00
537.51 - 562.50	22.00
562.51 - 587.50	23.00
587.51 - 612.50	24.00
612.51 - 637.50	25.00
637.51 - 662.50	26.00
662.51 - 687.50	27.00
687.51 - 712.50	28.00
712.51 - 737.50	29.00
737.51 - 762.50	30.00
762.51 - 787.50	31.00
787.51 - 812.50	32.00
812.51 - 837.50	33.00
837.51 - 862.50	34.00
862.51 - 887.50	35.00
887.51 - 912.50	36.00
912.51 - 937.50	37.00
937.51 - 962.50	38.00
962.51 - 987.50	39.00
987.51 or over	40.00

(8) BASE PERIOD QUARTERLY WAGES 1st QTR. WAGES	2nd QTR. WAGES	3rd QTR. WAGES	4th QTR. WAGES	(9) TOTAL BASE PERIOD WAGES	(10) MAILING DATE OF 612	(11) GROUP NUMBER

DETERMINATION OF BENEFIT RIGHTS | (12) WEEKLY RATE | (13) MAXIMUM AMOUNT | VALID ☐ INVALID BECAUSE OF REASON ☐

REASONS INVALID

1. LESS THAN $250.00 IN HIGH QUARTER
2. TOTAL BASE PERIOD WAGES ARE LESS THAN 1½ TIMES THE HIGH QUARTER WAGES.
3. TOTAL WAGES IN THE LAST TWO QUARTERS OF THE BASE PERIOD ARE LESS THAN 8 TIMES THE WEEKLY RATE

Form will be revised July, 1966.

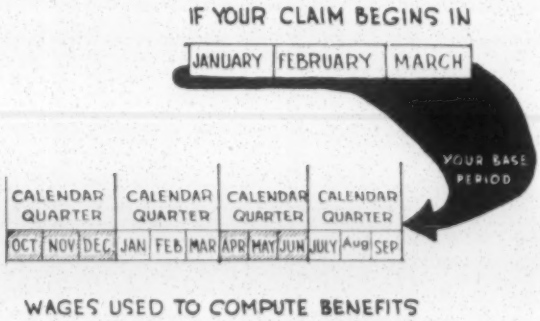
quarter in the other three quarters PLUS earnings in the last six months of your base year equal to eight times the benefit rate.

3. Availability means that you are willing to accept suitable work, and will make an effort to obtain work as might be expected of a normal worker.

FIGURING ELIGIBILITY

(1) Your base year is determined when you file your claim. It is defined by law as the first four of the last five completed calendar quarters coming before the quarter in which you filed your claim.

Example—Joe Worker files his claim on January 10, 1966. The last five completed quarters for Joe Worker consist of the last quarter of 1964, and the four quarters of 1965. The first four of the five completed quarters consist of the last quarter of 1964 and the first three quarters of 1965.



The following table will enable you to calculate your base period.

Claim Filed Between	Base Period is the Preceding
Jan. 1 and March 31	Oct. 1 to Sept. 30
April 1 and June 30	Jan. 1 to Dec. 31
July 1 and Sept. 30	Apr. 1 to Mar. 31
Oct. 1 and Dec. 31	July 1 to June 30

(2) In any one of the four quarters of the base year, an unemployed worker must have earnings of at least $250. Since there are 13 weeks in the quarter, this would mean earnings of approximately $19.50 a week. IN ADDITION, the unemployed worker must have additional earnings of at least ⅜ times the high quarter in the other three quarters in the base year.

Example — Joe Worker has earnings in covered employment of $300 in his high quarter. In order to qualify, he would have had to earn at least ⅜'s of $300 in the other three quarters — $112.50.

(3) IN ADDITION to the (1) $250 requirement in the high quarter and (2) ⅜'s additional earnings in the other three quarters, an unemployed worker must have had earnings in the last two quarters (six months) of the base year equal to eight times the benefit rate.

Example — Joe Worker's high quarter is $625. His weekly benefit rate is determined to be $25.00. In order to qualify for benefits, he would have had to earn eight (8) times the $25.00 in the last six months, or $200.

HOW MUCH DO I GET?

The first week after the filing of your claim is a waiting week, for which you are not paid.

After this one week waiting period, your weekly benefits depend on your high quarter earnings.

SCHEDULE OF BENEFITS

High Quarter Wages		Weekly Benefit Rate
Less than	$250.00	$ 0.00
$250.00	312.50	12.00
312.51	337.50	13.00
337.51	362.50	14.00
362.51	387.50	15.00
387.51	412.50	16.00
412.51	437.50	17.00
437.51	462.50	18.00
462.51	487.50	19.00
487.51	512.50	20.00
512.51	537.50	21.00
537.51	562.50	22.00
562.51	587.50	23.00
587.51	612.50	24.00
612.51	637.50	25.00
637.51	662.50	26.00
662.51	687.50	27.00
687.51	712.50	28.00
712.51	737.50	29.00
737.51	762.50	30.00
762.51	787.50	31.00
787.51	812.50	32.00
812.51	837.50	33.00
837.51	862.50	34.00
862.51	887.50	35.00
887.51	912.50	36.00
912.51	937.50	37.00
937.51	962.50	38.00
962.51	987.50	39.00
987.51		40.00*

* Effective July 1, 1966, the Weekly Benefit Rate is being increased to a maximum amount of $45 per week, based on additional earnings.

Examples — Joe Worker had high quarter earnings of $500. His weekly benefit amount will be $20.00 if the balance of his earnings meet the requirements as stated under "Figuring Eligibility."

If Joe Worker had high quarter earnings of $950 his weekly amount will be $38.00.

PARTIAL PAYMENTS

Each time you report on your claim, it is your responsibility to tell the claims-taker about any hours worked and any money earned during the period of unemployment for which you are reporting. Besides earnings, you are to report any vacation pay; bonuses; separation pay; or other money received from regular or part-time employers or self-employment.

It is very important that you keep an accurate record of these, and it is recommended that you post them on the yellow pages in the back of your Applicant Identification Card booklet.

As an inducement for you to obtain employment and thereby increase your weekly income, your weekly rate is reduced by only 80% of your total earnings during that week in which you had earnings.

Example — Joe Worker's weekly benefit rate is $25. For a week of total unemployment with no earnings, he would receive $25. For a week during which he earned $10, $8 would be deducted and his benefit check would be $17. The amount deducted is not entirely lost as he may receive it — if he remains unemployed.

HOW MANY CHECKS CAN I GET?

If you are totally unemployed, you can receive between 15 (minimum) and 26 (maximum) checks. If you are partially unemployed, you may receive more.

The maximum amount of benefits you may receive during your benefit year is determined by whichever is the lesser of (1) 26 times your weekly benefit rate or (2) one-third your total base-period wages, except that it shall not be less than 15

times your weekly benefit rate if your earnings qualify you for a valid claim.

Example — Joe Worker who earned $1,200 in base year is awarded benefits of $18 because his high quarter earnings were $450. One-third of Joe's yearly earnings is $400. Joe's weekly benefit amount is $18. He may receive a total of 22 weekly checks of $18 and 23rd check of $4 — a total of $400.

"You know, this could get complicated."

DISQUALIFICATIONS AND POSTPONEMENTS

The law provides complete disqualification and no benefits under certain conditions. Under other conditions, benefits will be postponed for a period of one week to sixteen weeks.

Illustration:

Disqualification for the duration of any period of unemployment:

1. If you were discharged for dishonesty at your last job.

2. If you quit your job to get married.

3. If you quit your job to attend school.

4. If you quit your job to become self-employed.

5. If you left your most recent suitable work voluntarily without good cause.

Postponement from six to sixteen weeks:

1. If you were discharged from your last job for misconduct in connection with your work.

Postponement for one or more weeks:

1. If you were not available for suitable work.

2. If you failed to accept suitable work.

PROSECUTION FOR FALSE REPORTING

1. If you knowingly made a false statement to establish your right to or the amount of the claim you may be prosecuted criminally.

STRIKES AND LOCKOUTS

A worker who is unemployed because of a bona fide labor dispute in the plant in which he is employed is not entitled to receive unemployment benefits. However, if the Department of Economic Security determines that there is a lockout, no worker shall be denied credit for a waiting period or denied benefits because of the lockout.

If during a strike you are permanently separated from your employment, you may file a claim.

APPEALS AND PROTESTS

(1) When you apply for benefits, your last employer will be notified that you have filed. Your employer has the right under the law to file a protest within seven (7) days.

(2) An examiner of the Department will take sworn statements from you and your employer and send this information to Frankfort. The Department will then rule on your claim and notify you and the employer of the decision as to whether or not there is a disqualification or postponement. Here is the form used to notify you of the decision.

UI 492
(Rev. 4-58)

COMMONWEALTH OF KENTUCKY
DEPARTMENT OF ECONOMIC SECURITY
DIVISION OF UNEMPLOYMENT INSURANCE
FRANKFORT

Date _____
Local Office _____

NOTICE OF ADJUSTED DETERMINATION

EMPLOYER | CLAIMANT (S. S. #)

Effective Date of Claim | Issue(s) and Date(s)

After careful consideration of the available facts, it is determined that the provisions of KRS 341.3 apply to this case. This section of the law is quoted on the reverse of this form.

FINDINGS:

It is determined:

- ☐ No disqualification is imposed.
- ☐ The claimant is disqualified _____ weeks from _____ through _____
- ☐ The claimant is disqualified from _____ until he has secured bona fide employment _____
- ☐ The claimant is ineligible for benefits from _____ through _____
- ☐ The claimant was disqualified by a previous determination for an indefinite period. This disqualification terminated _____
- ☐ The claimant is eligible for benefits as of _____
- ☐ No benefits payable under this claim, subsequent to this separation, will be charged to reserve account number _____ unless the employer is notified to the contrary by a later determination.
- ☐ Any benefits paid will constitute a valid charge to the reserve account of this employer.

IMPORTANT

Any party affected by this determination may file an appeal for a review by a referee of this Division if such party believes the determination is contrary to fact or law. To be valid, such an appeal must be in writing, must state the grounds that are relied upon for a reversal, and must be on file with this Division within ten (10) days of the date shown in the upper right hand corner of this notice. Requests for explanation will not be considered as an appeal request.

Signed John L. Duncan, Supervisor of Benefits

(3) Either party may then appeal the determination. Such appeal must be in an office of the Department of Economic Security within ten days of the date that the determination was mailed to you. A referee of the Unemployment Insurance Commission will conduct a hearing

in the local Unemployment Office. Both parties will be notified in advance of the hearing. The hearings are conducted informally and it is not necessary that you be represented by an attorney, or other representatives, unless you so desire.

(4) The decision of the referee is not final, and either party can then appeal to the Unemployment Insurance Commission and further, to the Circuit Court usually in the county in which you were last employed, within the time limits specified in the law.

Urgs Comp.

Jobless benefit reserves in better shape, but—

State reserve funds for unemployment benefits generally are in better shape than at any time in a decade.

The table at right, prepared from U.S. Labor Department information, shows that the funds of but 13 states—the red bloc at the bottom—are still in the danger zone. These states are still struggling to overcome the drain of the 1958 recession.

However, the situation is much improved from four years ago when THE MACHINIST published a similar survey. At that time 23 state reserve funds were in the danger zone, with seven of them in critical condition.

A state needs reserves equal to at least one and a half times the drain of the worst 12 months of unemployment during the past 10 years. In most states, the yardstick is the 1958-59 period.

As the table shows, the District of Columbia fund is in the best shape with a Solvency Rating of 5.30—reserves more than five times the cost of the worst year of the recent past.

Fair benefits

Moreover, the District's maximum benefit of $57 a week is among the best—though still much below labor's goal. This is despite the fact that the D.C. tax is but one half of 1 per cent of total payroll.

Many states with good Solvency Ratings pay inadequate benefits. In fact, among the first 25 states listed only eight pay maximum benefits of $50 per week or more. Labor's goal is a benefit equal to two-thirds of a worker's average weekly earnings.

Most states have cut the tax rate on employers rather than raise benefits for the jobless as their unemployment funds built up from the low of the 1958-60 recession. This testifies to business' greater influence in the legislatures.

Nationally, employers contributed 2.66 per cent of total payrolls in 1939. Over the years this has been shaved to an average 1.1 per cent payroll tax today.

Last year the AFL-CIO succeeded in getting the U.S. Senate to adopt a bill calling for national standards for unemployment compensation benefits. The measure would have required states to pay maximum weekly benefits of at least half the state's average weekly wage, rising by steps to two-thirds in the early 1970's.

This would have forced many states to raise benefits and pay them for longer periods. Unfortunately, the measure failed to get through the House. With 44 fewer friends in the House than last year, the outlook for any Congressional action until after the 1968 elections is dim.

Legislatures in session

To win improved benefits this year, unions will have to fight for them in the states legislatures, almost all of which will be in session this year.

Recently, William U. Norwood Jr., director of the U.S. Unemployment Insurance Service, warned of complacency. Norwood declared:

"This is probably an opportune time to consider more adequate benefits rather than to slice the melon of lower tax rates."

Norwood warned that today's larger labor force means that, in a recession, many more would be laid off at much higher cost than in recessions of the past.

The 13 states at the bottom of the list with Solvency Ratings of less than 1.5, of course, have real problems right now.

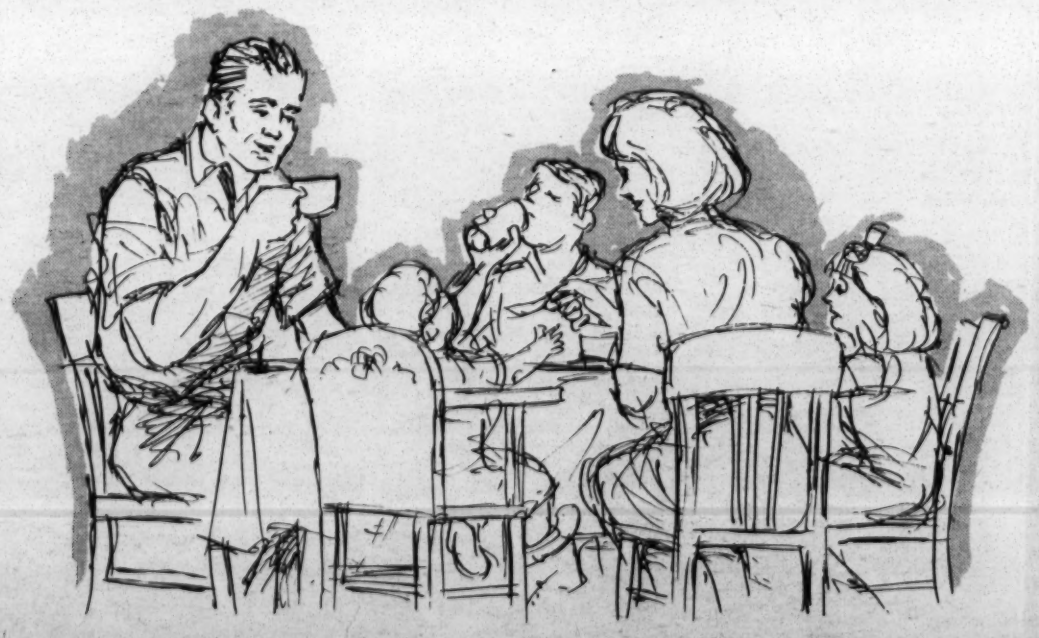
Labor's objective in these state legislatures will be to raise tax rates so that these funds can be built up to a safe level, above the 1.5 mark on the solvency scale.

Michigan and Alaska have added problems. Michigan still owes $71,000,000 and Alaska, $7,000,000, to the Federal Government. This is money borrowed when state funds nearly went broke because of inadequate taxes and high unemployment during the recession years.

Out of the red

Pennsylvania paid off a big debt to the Federal Government and has just recently climbed out of the red. However, the Scranton Administration achieved this more by cutting benefits to the unemployed than by raising taxes on employers. Unions will be on guard that this does not happen in other states.

The AFL-CIO sees 1967 as a key year to put state unemployment benefit systems in shape to meet any future employment emergency.



How sound is your state's unemployment benefit fund?

Solvency rating in last column below is the relation between a state's Unemployment Compensation reserve fund and the cost of benefits in the worst recession year of the recent past. A state should have a reserve at least 1.5 times this figure to be above the danger level. States are ranked in order from best to worst.

	State	Max. Wkly. Benefits	Reserve, Sept. '66 (Millions)	Est. Av. Payroll Tax, '66	Solvency Rating 1.5=Danger	
1.	D.C.	$57	68.0	0.5%	5.30	Good
2.	Iowa	50	122.4	0.3%	4.75	
3.	S.D.	36	15.7	0.5%	4.08	
4.	Va.	42	165.1	0.4%	4.05	
5.	Ariz.	43	71.5	1.0%	3.87	
6.	Neb.	40	44.4	0.5%	3.59	
7.	S.C.	42	110.6	0.8%	3.57	
8.	Mo.	45	260.8	0.7%	3.40	
9.	P.R.	20	63.7	2.1%	3.33	
10.	Ga.	43	220.4	0.8%	3.11	
11.	Fla.	33	201.3	0.6%	3.09	
12.	N.C.	42	269.3	0.8%	3.02	
13.	Utah	50	39.6	1.0%	2.77	Fair
14.	Wash.	42	251.1	1.4%	2.75	
15.	Kan.	51	73.0	0.8%	2.70	
16.	Texas	37	294.8	0.5%	2.67	
17.	Miss.	30	71.4	0.9%	2.60	
18.	N.M.	36	37.3	0.7%	2.57	
19.	Colo.	53	69.7	0.7%	2.52	
20.	Idaho	50	35.5	1.3%	2.47	
21.	N.H.	49	35.7	0.8%	2.45	
22.	Wis.	59	236.7	0.9%	2.31	
23.	La.	45	145.4	1.0%	2.17	
23.	Md.	50	204.6	1.0%	2.17	
24.	N.Y.	55	1,443.0	1.4%	2.03	
25.	Okla.	32	55.1	0.7%	1.89	
26.	Ky.	45	134.5	0.7%	1.84	
27.	Hawaii	66	27.1	1.3%	1.79	
27.	Ill.	42-70*	571.8	0.4%	1.79	
28.	Ala.	38	103.1	0.6%	1.75	
29.	R.I.	48-60*	63.3	1.5%	1.71	
30.	Del.	55	25.4	0.6%	1.67	
31.	Ind.	40-43*	217.1	0.7%	1.65	
32.	Conn.	50-75*	239.5	1.0%	1.64	
33.	Tenn.	38	135.3	1.1%	1.62	
34.	Ark.	39	38.9	1.1%	1.56	
35.	Mass.	50-*	279.2	1.5%	1.54	
36.	Wyo.	48	11.8	1.3%	1.53	
37.	Ore.	44	111.9	1.2%	1.52	
38.	Vt.	47	13.6	2.0%	1.47	Dangerous
39.	Me.	45	39.1	0.9%	1.42	
40.	W. Va.	35	70.7	0.8%	1.40	
41.	Nev.	41-61*	29.8	1.3%	1.37	
42.	N.J.	50	361.9	1.1%	1.26	
43.	Ohio	42-54*	389.5	1.0%	1.21	
44.	Calif.	65	803.7	1.7%	1.20	
45.	Alaska	55-80*	18.1†	2.3%	1.15	
46.	Mich.	43-72*	613.3†	1.1%	1.14	
46.	Mont.	34	20.7	0.9%	1.14	
47.	Pa.	45	580.9	1.6%	1.10	
48.	N.D.	47	7.0	1.4%	0.99	
49.	Minn.	47	43.0	1.0%	0.58	
TOTAL U.S.			$9,647.1	1.1%	1.78	

SOURCE: U.S. DEPARTMENT OF LABOR

* State pays dependents' benefit. Second figure is maximum for worker with dependents. Massachusetts' maximum for worker with dependents is his average weekly wage.

† Includes Federal loans.

FACTS YOU SHOULD KNOW

about

CLAIMING UNEMPLOYMENT BENEFITS

under

WISCONSIN'S U. C. LAW

(Chapter 108, Wis. Statutes)

Administered by the

INDUSTRIAL COMMISSION
OF WISCONSIN
UNEMPLOYMENT
COMPENSATION DEPARTMENT

January, 1967

UC-10
WIS. 11-66

It is **important** that you **read** and **understand** this folder. It explains your rights and responsibilities under the Wisconsin Unemployment Compensation (U. C.) Law. If you have any questions, be sure to ask when filing your claim.

STARTING YOUR CLAIM

If you become unemployed, and are able to work and available for work:

1. register for work with a public employment office; and

2. start a claim for unemployment benefits in the same office.

A list of the Wisconsin offices appears on the back of this folder.

WEEKLY REPORTING

The law uses *calendar weeks* — which begin Sunday and end Saturday.

You can't get credit for a *calendar week* of no wages unless you:

1. register for work and file a claim for benefits WITHIN the week; and

2. after the week is over, turn in your claim form for that week, promptly, but no later than 4 weeks after its close.

TAXES TO PAY BENEFITS

Only employers pay taxes to finance unemployment benefits paid under Wisconsin State Law. Your employer makes no deductions from your pay check for U. C. purposes.

COVERED WORK

Work which earns benefit rights is called *covered* employment. For work to be covered under the Wisconsin Unemployment Compensation Law it must be:

1. for an employer *covered* by that law; and

2. in a type of work not specifically *excluded* by law.

Generally an employer is *covered* by the U. C. Law if he has 4 or more workers for at least 20 weeks in a calendar year. A few smaller employers have voluntarily chosen to come under the law.

Examples of work specifically *excluded* under the law are: agricultural work, domestic work in a private home, work for certain religious, charitable or educational organizations.

QUALIFYING EMPLOYMENT

To qualify for Wisconsin U. C. benefits at all, you need 18 weeks of covered work with one or more employers in the 52 weeks before you start a new claim.

A few cases may qualify with 14 to 17 weeks in that period. Ask your claims office.

BASE PERIOD

When you file a new (beginning) claim for benefits, your rights will be based on your work and wages in the 52-week period prior to the week in which you filed your claim. This is called your *base period*. In some instances of long workmen's compensation or termination pay, that base period may be lengthened. Ask your claims office.

Be sure to list ALL employers in your base period. Otherwise, you may lose some benefits. Tell us right away about every employer you had.

Every worker should keep a complete record as to every employer.

BENEFIT YEAR

A benefit year begins with the week in which you file a valid claim and lasts 52 weeks. Once a benefit year has started, its rights cannot be increased by later covered work.

Such later work builds credits, but only for a future year. Those credits cannot be used until the current benefit year ends.

SCHEDULE OF BENEFITS

The number of weeks for which benefits may be paid during a benefit year depends on the number of weeks you worked for each employer in your base period.

The following table shows the number of benefit weeks from each employer for a given number of work weeks.

No. of Work Weeks	Benefit Weeks	No. of Work Weeks	Benefit Weeks
1	1	23	18½
2	1½	24	19
3	2½	25	20
4	3	26	21
5	4	27	21½
6	5	28	22½
7	5½	29	23
8	6½	30	24
9	7	31	25
10	8	32	25½
11	9	33	26½
12	9½	34	27
13	10½	35	28
14	11	36	29
15	12	37	29½
16	13	38	30½
17	13½	39	31
18	14½	40	32
19	15	41	33
20	16	42	33½
21	17	43 or more	34
22	17½		

34 is the top number of benefit weeks which may be paid in any benefit year.

The weekly rate at which your benefits are paid from a given employer depends on your *average weekly wage* with that employer for work weeks in your base period. All work weeks are used in figuring the average. Overtime weeks tend to increase the average while short weeks decrease it.

The following table shows the benefit rate which results from a given average weekly wage.

Average Weekly Wage	Benefit Rate
Under $16.	None
$ 16. to 19.	$11
19.01 to 22.	12
22.01 to 24.50	13
24.51 to 27.	14
27.01 to 29.50	15
29.51 to 32.	16
32.01 to 34.	17
34.01 to 36.	18
36.01 to 38.	19
38.01 to 40.	20
40.01 to 42.	21
42.01 to 44.	22
44.01 to 46.	23
46.01 to 48.	24
48.01 to 50.	25
50.01 to 52.	26
52.01 to 54.	27
54.01 to 56.	28
56.01 to 58.	29
58.01 to 60.	30
60.01 to 62.	31
62.01 to 64.	32
64.01 to 66.	33
66.01 to 68.	34
68.01 to 70.	35
70.01 to 72.	36
72.01 to 74.	37
74.01 to 76.	38
76.01 to 78.	39
78.01 to 80.	40

Average Weekly Wage	Benefit Rate
$ 80.01 to $ 82.	$41
82.01 to 84.	42
84.01 to 86.	43
86.01 to 88.	44
88.01 to 90.	45
90.01 to 92.	46
92.01 to 94.	47
94.01 to 96.	48
96.01 to 98.	49
98.01 to 100.	50
100.01 to 102.	51
102.01 to 104.	52
104.01 to 106.	53
106.01 to 108.	54
108.01 to 110.	55
110.01 to 112.	56
112.01 to 114.	57
114.01 to 116.	58
116.01 or more	59

The top benefit rate may move up or down on January 1 or July 1. If the average weekly wage for ALL workers goes up enough, then the top benefit rate moves up. If that average wage goes down enough, the top benefit rate goes down.

WAITING PERIOD

Before you can draw benefits in a given benefit year, you must serve one waiting week. No benefits are payable for that week. But you must file a claim for the week and meet all the same requirements you would have to meet to get a benefit check.

FIRST CHECK

The first check is due a few days after your third weekly visit.

The first week is a waiting period without benefits. The second week will be paid for, but only after it is over and reported. In the **third** week you report about the **second** week. The first check can usually be mailed a few days later unless your case is disputed.

ELIGIBILITY

When you file a claim for benefits for either a waiting period or a check you must meet these eligibility requirements.

1. Be unemployed, in that calendar week. That means you did no work, and got no pay for that week; or if you did some work, you earned less pay than your weekly benefit rate.

   Be sure to tell us about ALL wages, earned IN or received FOR a week. "Wages" include every form of pay for work done, dismissal, holiday and vacation pay, value of room and board, tips, working off a bill or debt. Under some conditions, with notice to you, retirement pay (including social security) will be treated as wages.

2. You must be physically *able to work*. You can't draw benefits if you can't work.

3. You must be *available for work*. This means you must be ready and willing to take any suitable employment offered to you. You can't draw benefits if you don't want a job.

PARTIAL UNEMPLOYMENT

If you get some pay, but less than your weekly benefit rate, for a calendar week in which you did all the work your employer had for you, you may be eligible for benefits. This is called *partial unemployment.*

To get benefits for a week of partial unemployment you must file a claim for that week, promptly, within 4 weeks after its close.

Be sure to report all your (gross) pay or wages FOR each week from all employers. If your wages are half or more of your benefit rate, a half check may be paid; if under half, a full benefit check.

DISQUALIFICATIONS

Although you may meet the *reporting, qualifying* and *eligibility* requirements, you may be *disqualified* for various reasons. Some examples are listed below.

If your employer says you quit or were discharged, your benefits are held up while we investigate the facts. We get your story and the employer's. Then we issue a written decision as to whether you are eligible for benefits. A copy is sent to you and one to the employer.

You or the employer can *appeal* the decision within the time limit it shows. An *appeal* means a formal hearing at which you and the employer, as well as any witnesses, appear in person.

If you get a job offer take it, unless there's a reason for refusing it which could be *good cause* under the Wisconsin U. C. Law. The same thing is true if the employment service tells you about a job — go see the employer.

If you don't have good cause the law stops (postpones) benefits until you do get a job and work in 4 weeks and earn 4 times your weekly benefit rate.

A pregnant woman can't be paid for weeks in which she can't work. In any event, she can't be paid for 10 weeks before the week in which the child is expected to be born or for 4 weeks after the week in which the child was born. Then she must notify her last employer that she is able to work and available for work. She must also establish that she has personally applied for work each week with employers in her area.

This same search for work is required in other instances; for example if you are self-employed or an owner of a family corporation. Your claims office will instruct you.

No benefits are payable if you lost your employment because of a labor dispute in your employer's establishment.

FRAUDULENT CLAIMS

Answer ALL the questions on your weekly claim forms and the supplemental questionnaire, "Statement on Ability to Work and Availability for Work," honestly and completely.

Report ALL your WORK and WAGES each week you claim, even if you haven't been paid yet. Report the total pay earned, not just the take home pay.

A claimant who fails to report his wages or fails to report a job offer is filing a *fraudulent* claim.

The penalties for *fraud* are severe:

1. Jail — up to 30 days for each week's fraud.

2. Court fines — up to $100 for each fraud.

3. Recovery of any fraud benefits.

4. Benefit losses — up to 3 benefit weeks cancelled for each fraud week.

KEEP A RECORD

Keep a record of each benefit check you get. The UC-30 benefit determination which will be mailed to you after you establish your eligibility has space on the back for recording each check. Be sure to do it.

CASH YOUR OWN CHECKS

No one but you should endorse and cash your benefit checks. Each U. C. check requires you to identify yourself when you are cashing it.

FEDERAL EMPLOYMENT

You may be eligible for benefits based on recent federal employment or on recent service in the armed forces. Ask your claims office.

WISCONSIN UNEMPLOYMENT COMPENSATION and EMPLOYMENT SERVICE OFFICES

Appleton	427 W. College Ave.
Ashland	220 6th Ave. W.
Beloit	417 Harrison Ave.
Eau Claire	418 Wisconsin St.
Fond du Lac	201 S. Marr St.
Green Bay	City Hall
Janesville	211 N. Parker Drive
Kenosha	1016 56th St.
La Crosse	508 5th Ave., S.
Lancaster	925 N. Madison St.
Madison	206 N. Broom St.
Manitowoc	Safety Bldg.
Milwaukee	819 N. Sixth St.
Milwaukee*	2528 W. North Ave.
Milwaukee*	2778 S. 35th St.
Oshkosh	304 High Ave.
Racine	618 Sixth St.
Rhinelander	32A S. Brown St.
Sheboygan	530A N. 8th St.
Superior	1616 Tower Ave.
Watertown	111 N. Third St.
Waukesha	383 W. Main St.
Wausau	527½ Washington
Wis. Rapids	1681 2nd Ave., S.

* U. C. offices only. Register for work at 819 N. Sixth St., Milwaukee.

Office Hours

Monday - Friday

7:45 AM - 11:45 AM

12:30 PM - 4:30 PM

Many smaller cities are served once a week by a travelling claims taker. Contact the nearest full time office to ask where and when.

2-24-67

Min Wage - Fair Labor Stds

Labor News 2/24/67

Automatic Sprinkler Firm Named In Wage-Hour Suit

GREENSBORO—U.S. Secretary of Labor W. Willard Wirtz has filed a Fair Labor Standards Act (FLSA) suit in U.S. District Court here naming Viking Sprinkler Co., Inc., as defendant.

The defendant is engaged in fabrication, construction, installation and sale of automatic sprinkler systems, with its principal place of business in High Point, Guilford County, N.C.

The complaint alleges the defendant is in violation of the overtime pay, minimum wage and record-keeping provisions of the FLSA. The action asserts employes of the firm are covered by the FLSA on the basis that it has employed employes in commerce or in the production of goods for commerce; its annual gross volume of sales is not less than $1,000,000; and it is an enterprise within the meaning of the Act.

The action seeks an order enjoining the defendant from future violations of the FLSA and restraining the further withholding of overtime pay due certain employes.

Labon F. Chappell, supervisor of the U.S. Labor Department's Wage and Hour and Public Contracts Divisions' field office at Room 253, Post Office and Courthouse Building, 324 W. Market St., Greensboro, N.C. 27402, said litigation resulted from investigation by his staff.

file - Min. wage

MAR 01 1967

House of Representatives, U. S.
Committee on Agriculture
Washington, D. C.

IMMEDIATE RELEASE February 27, 1967

The House Committee on Agriculture today adopted the following resolution:

MINIMUM WAGE IN AGRICULTURE

RESOLUTION

WHEREAS: By an act of the Congress in 1966, a minimum wage is being applied to agricultural workers in 1967 for the first time in history; and

WHEREAS: Prices received by farmers for what they produce now are actually 8 percent below what they were in 1947, while the wages of manufacturing labor during these last 20 years have increased by 123 percent, and the dividends paid by corporations by 232 percent; and

WHEREAS: Agriculture now is caught in a cost-price squeeze, farm prices have declined for five consecutive months, so that the parity ratio now stands at only 75 and the costs of tractors and other machinery, chemicals, and other inputs required by farmers to produce their crop have advanced by 47 percent, and the average wages paid by farmers already are up by 108 percent compared with 20 years ago; and

WHEREAS: Farmers employing the workers now being blanketed under the minimum wage, unlike employers in industry, are unable to set the price on what they produce to cover the increased wage costs, but must continue to take whatever the markets offer; and

WHEREAS: Many farmers will be forced to close down their operations completely, or severely reduce the number of employees, because of the increased costs, and this threatens to bring on another migration of large numbers of farm workers into the slums of the cities; and

WHEREAS: The suffering in the creation of unemployment and the uprooting of people in Rural America will greatly outweigh any advantages which may be gained by workers through application of a Federal minimum wage for agriculture until such time as farm income is improved to the extent that this income will cover increases of wages; NOW, THEREFORE

BE IT RESOLVED: That the Committee on Agriculture, in the interest of farm workers and employers alike, and of consumers, recommends the enactment of legislation amending the Fair Labor Standards Act, providing that the minimum wage as applied by present law shall apply in no year following a year in which the unadjusted parity ratio stands at a level below 100.

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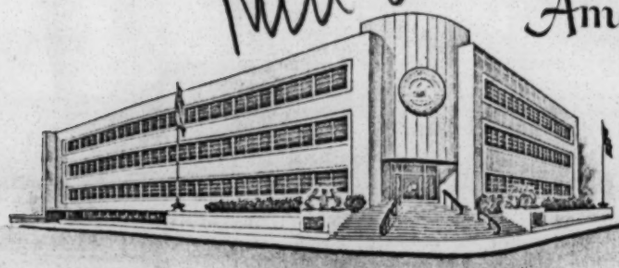
Min a



Amalgamated
Meat Cutters and
Butcher Workmen
OF NORTH AMERICA
AFFILIATED WITH AFL-CIO

THOMAS J. LLOYD
INTERNATIONAL PRESIDENT
PATRICK E. GORMAN
INTERNATIONAL SECY.-TREAS.

2800 N. SHERIDAN ROAD CHICAGO 14, ILLINOIS
REPLY TO
ARNOLD MAYER
LEGISLATIVE REPRESENTATIVE
100 INDIANA AVENUE, N.W.
WASHINGTON 1, D.C.

March 6, 1967

MAR 7 1967

Fay Bennett
Executive Secretary
National Advisory Committee
on Farm Labor
112 East 19th Street
New York, New York 10003

Dear Fay:

I have your letter of March 3rd concerning the minimum wage resolution of the House Agriculture Committee.

I think the resolution was a scare tactic to get the Wage and House Administration to back down on some of its proposed sharecropper regulations. Many of the southern members want sharecroppers exempted. The Department intends to cover any sharecropper who has no management authority. As I told you before, I think the sharecropper situation is one which you ought to watch very closely. You will recall that I gave you the names of several people to contact.

The Agriculture Committee has no authority to report a minimum wage resolution to the House floor. It can only adopt such a resolution to show its feeling and then send the resolution to the House Labor Committee, which has the jurisdiction. In other words, I don't think that the Agriculture Committee can pass any legislation in this area, but it is attempting to pressure.

Best regards.

Sincerely yours,

Arnold

Arnold Mayer
Legislative Representative

AM:hb

43
PRINTED IN U. S. A.

States 'Erode' Unemployment Benefits

Unemployment Compensation

Jobless Insurance Program Needs Federal Overhaul

WASHINGTON, D.C.—Legislation to strengthen the "eroded" unemployment insurance system "should have the most urgent priority" in this Congress, an article in the Federationist, the AFL-CIO magazine, emphasizes.

The system which was set up to be "the nation's first line of defense against want and poverty," writes James O'Brien, "has deteriorated to a level where it perpetuates poverty and its evils."

"The jobless worker, the grocer, the merchant and the entire economy are the actual and potential victims of the shocking erosion of the system."

O'Brien, an assistant director of the AFL-CIO Dept. of Social Security, notes that the federal-state system was enacted in 1935 to aid jobless workers voluntarily separated from their jobs.

"But the record shows the system has been moving away from this goal," he points out.

He cites figures showing that more than one-half of the jobless drew some benefit from the system 10 years ago, while only four out of 10 were benefitting by 1965, and the ratio is now down to three out of 10.

Noting that 16 million wage and salary workers —one-fourth of the nation's total—were not covered by the system in 1967, the author warns that "this number increases annually as employment expands in uncovered industries."

The argument by opponents of federal standards that the states can be relied upon to modernize the system and make improvements has been completely disproved by the record of state legislatures in recent years, the article stresses.

Its review of state improvements adds up to this picture:

A few "insignificant extensions" of unemployment insurance coverage, minor changes in the taxable base for employers in a few states and "continuing deterioration of the benefit structure" despite slight increases in benefit payments.

"In fact," O'Brien says, "half-hearted state action and federal inaction have made the unemployment compensation meaningless for more than half the jobless workers."

The article focuses on these aspects of the system, among others, in which there are "major deficiencies" that are regularly getting worse:

QUALIFICATIONS—While a half a dozen states qualify 90 to 95 percent of new claimants for unemployment benefits, "far too many states deny benefits to 25 and 30 percent of new claimants."

In the three years of 1965, 1966 and 1967 there were 16 states that increased benefits and at the same time "robbed Peter to pay Paul" by imposing stricter qualification requirements.

FINANCING—State after state has deviated from the 2.7 percent state tax on employers that was counted on to finance the unemployment system, along with a three-tenths of 1 percent federal tax on employers.

In 1967, ten states permitted application of zero tax rates to some employers. The average employer tax rate during the year for the entire system was only 1.6 percent of taxable payrolls.

This "underfinancing" has occurred for one apparent reason, O'Brien observes. It is part of the competition among states to pirate industry from another section of the country with the lure of low taxes.

DISQUALIFICATIONS—Provisions for challenging employees on unemployment rolls and denying them benefits have increased to the extent that "a hostile attitude toward the unemployed has developed within the system itself."

BENEFITS—In the early years of the program, the maximum weekly jobless benefit in most states equaled 65 percent of the average weekly wage. Today, the typical maximum benefit represents only 42 percent of the average wage.

There are only two states in which the maximum weekly benefit is not lower in relation to wages than it was in 1939.

Only seven states have maximum benefits that maintain a worker with three dependents above the poverty-level income of $3,335 per year for a four-member family set by the Health, Education & Welfare Dept. in 1966.

Surely, O'Brien maintains, a worker who has made a contribution to the nation's affluence during his employment is entitled "to more than a poverty level of income during unemployment."

Summing up the "dismal record" of the states in improving jobless benefits, O'Brien concludes that this failure "demonstrates that the states are either unable or unwilling to modernize the system."

"The one sure way of establishing minimum standards in the system," he adds, "is through federal legislation and this should be a first order of business in the 91st Congress."

1-26-69

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phrey-Muskie ticke

Labor News (Durham) 3/7/69

Unemployment Comp.

Overhaul Urged For Unemployment Benefits Program

WASHINGTON — Workers and their families have less real protection against "temporary" unemployment today than when the nation's unemployment insurance system began more than 30 years ago, an AFL-CIO spokesman reported.

The federation's call for nationwide standards for unemployment compensation benefit levels, duration and eligibility, was renewed by James O'Brien, an assistant director of the AFL-CIO Department of Social Security, on Labor News Conference. The public affairs interview is broadcast Tuesdays at 7:35 p.m., EST, on the Mutual Radio Network.

O'Brien emphasized that the lack of federal standards for unemployment insurance has led to "serious deterioration" of the system. He pointed out that:

- Maximum benefits have fallen from 65 percent of the average weekly wage in covered employment in 1938, to about 30 percent today.
- Some 18 million workers, many of them public employes, farm workers and domestics, are still denied protection of the insurance that "stands out like Pikes Peak in our present system of income maintenance."
- Harsh disqualifications that rule out protection for many who would otherwise be eligible for temporary help while looking for work.

He also pointed out that of 11 million people out of work at some time during 1966, only three in 10 drew even the "benefits that allow less than poverty level subsistence."

The union spokesman said that the long-sustained growth of the nation's economy and relatively low unemployment levels tend to lessen the sense of urgency to modernize and up-date the unemployment compensation system. But, he urged, "this would be the most opportune time" to make long-overdue improvements.

"Refusal to improve the system at this time is like the position of a farmer who refuses to fix his tractor in the wintertime because he will not need it until spring," he stressed.

Reporers questioning O'Brien were Sam Sharkey of the Newhouse Newspapers and Neil Gilbride, of the Associated Press.

The Labor Department was founded the same year that President Nixon was born—1913. In those 56 years, the number of wage earners in the United States has risen from 21 million to 77 million; the average wage, from 21 cents to $3.10 per hour.

Prost. Labor Legis — Unempl. Comp.

Unemployment compensation

Unemployment compensation is no substitute for a job. It helps, however, to prevent a layoff from being the unrelieved disaster for working families that it was before the federal-state income-insurance programs were adopted a generation ago.

The table below shows, state by state, where benefit levels stand today. The compensation laws and the benefits are best in states where trade unions are strong, weakest where unions are weak and where employer interests dominate state legislatures. See how your state compares with others.

The second and third columns show how long a worker must be employed and how much he must earn before he loses his job to qualify for benefits. The third and fourth columns show the maximum he can collect and how long he can collect it.

For example: To qualify, an Alabama worker must have worked 15 months—the last five three-month quarters. If he earned $1,830 in that period, with $1,209 during one quarter, he is eligible to receive the maximum $47 a week for 26 weeks.

Benefits state by state

State	Base period for eligibility	Minimum Wages in base period required for Maximum Benefits	Maximum Weekly Benefit	Maximum Duration in weeks
Ala.	First 4 of last 5 quarters	$1,830; $1,209 in high quarter	$47	26
Alaska	First 4 of last 5 quarters	$5,500	$60 to $85*	28
Ariz.	First 4 of last 5 quarters	$1,856; $1,237 in high quarter	$50	26
Ark.	First 4 of last 5 quarters	$1,410; $1,196 in high quarter	$47	26
Calif.	4 quarters ending 4 to 7 calendar months before benefit year	$1,748; $1,748 in high quarter	$65	26; Benefits extended 50% when unemployment reaches specified levels
Colo.	First 4 of last 5 quarters	$7,280; $1,820 in high quarter	$71	26
Conn.	First 4 of last 5 quarters	$2,280; $1,950 in high quarter	$76 to $114*	26; Benefits extended 50% when unemployment reaches specified levels
Del.	First 4 of last 5 quarters	$1,980; $1,350 in high quarter	$55	26
D.C.	First 4 of last 5 quarters	$2,139; $1,426 in high quarter	$63	34
Fla.	First 4 of last 5 quarters	$1,560	$40	26
Ga.	First 4 of last 5 quarters	$1,692; $1,150 in high quarter	$47	26
Hawaii	Last 4 quarters	$2,160; $1,775 in high quarter	$72	26; Benefits extended 50% when unemployment reaches specified levels
Idaho	First 4 of last 5 quarters	$2,158; $1,430 in high quarter	$56	26; Benefits extended 50% when unemployment reaches specified levels
Ill.	4 quarters ending 4 to 7 calendar months before benefit year	$1,284; $1,109 in high quarter**	$45 to $88*	26; Benefits extended 50% when unemployment reaches specified levels
Ind.	First 4 of last 5 quarters	$975; $975 in high quarter	$40 to $52*	26
Iowa	First 4 of last 5 quarters	$1,365; $1,265 in high quarter	$58	26
Kan.	First 4 of last 5 quarters	$1,650; $1,350 in high quarter	$55	26
Ky.	First 4 of last 5 quarters	$1,770; $1,287 in high quarter	$52	26
La.	First 4 of last 5 quarters	$1,500; $1,225 in high quarter	$50	28
Me.	Uniform calendar year	$1,287; $1,287 in high quarter	$52	26
Md.	First 4 of last 5 quarters	$2,160; $1,416 in high quarter	$60	26
Mass.	52 weeks preceding benefit year	$1,860; $1,860 in high quarter**	$62 to $93*	30
Mich.	52 weeks preceding benefit year	$1,145	$46 to $76*	26
Minn.	52 weeks preceding benefit year	$2,034	$57	26
Miss.	First 4 of last 5 quarters	$1,440; $1,014 in high quarter	$40	26
Mo.	First 4 of last 5 quarters	$1,360; $1,300 in high quarter	$53	26
Mont.	First 4 of last 5 quarters	$1,725; $1,150 in high quarter	$42	26
Neb.	Last 4 quarters	$1,300; $1,100 in high quarter	$48	26
Nev.	First 4 of last 5 quarters	$1,551; $1,150 in high quarter	$47 to $67*	26
N.C.	First 4 of last 6 completed calendar quarters preceding benefit year	$4,600	$50	26; Benefits extended by 8 weeks when unemployment reaches specified levels
N. D.	First 4 of last 5 quarters	$2,040; $1,300 in high quarter	$51	26
N.H.	Uniform calendar year	$5,500	$54	26
N.J.	52 weeks ending with the 2nd week preceding benefit year	$1,632	$65	26
N.M.	First 4 of last 5 quarters	$1,650; $1,328 in high quarter	$53	30
N.Y.	52-week period immediately preceding filing of valid original claim	$2,580	$65	26
Ohio	52 weeks preceding benefit year	$1,840	$47 to $66*	26
Okla.	First 4 of last 5 quarters	$1,443; $962 in high quarter	$38	39
Ore.	First 4 of last 5 quarters; period extended if incapable of work during the greater part of a calendar quarter	$4,360	$55	26
Pa.	First 4 of last 5 quarters	$2,160; $1,488 in high quarter	$60	30; Benefits extended 50% when unemployment reaches specified levels
P.R.	First 4 of last 5 quarters	$1,080; $910 in high quarter	$36	12; Benefits extended 40 weeks when a special unemployment situation exists
R.I.	52 weeks ending with the 2nd week preceding benefit year	$2,000	$56 to 76*	26
S.C.	First 4 of last 5 quarters	$1,911; $1,274 in high quarter	$50	26
S.D.	First 4 of last 5 quarters	$1,462; $975 in high quarter	$41	26
Tenn.	First 4 of last 5 quarters	$1,692; $1,196 in high quarter	$47	26
Texas	First 4 of last 5 quarters	$1,650; $1,100 in high quarter	$45	26
Utah	Last 4 quarters	$1,498; $1,378 in high quarter	$54	36
Vt.	52 weeks preceding benefit year; period extended if incapable of work during greater part of calendar quarter	$2,220	$56	26; Benefits extended 50% when unemployment reaches specified levels
Va.	First 4 of last 5 quarters	$1,920; $1,222 in high quarter	$48	26
Wash.	Uniform calendar year	$3,925	$42	30
W. Va.	First 4 of last 5 quarters	$5,750	$49	26
Wis.	52 weeks preceding benefit year; period extended if incapable of work during greater part of calendar quarter	$2,340	$66	34
Wyo.	Last 4 quarters	$1,300; $1,300 in high quarter	$53	26

** according to number of dependents*

*** estimate based on recent legislative changes; official figures not yet available*

The pressure is on for safer products

Government, consumers, and the law are forcing industry to change

When the final report of the Public Land Law Commission arrived at the White House last week, President Nixon received it in person in front of photographers. The same day, he got the final report of the National Commission on Product Safety. But for all the attention that report received, it might, as one wag suggested, "have been slipped between the bars of the White House fence."

The ho-hum reaction was not due to any lack of vigor in the commission's recommendations. After a two-year study, the group, headed by New York attorney Arnold B. Elkind, concluded that the country needs an "omnibus" consumer product safety act and a new, independent federal agency to set and enforce safety standards. Consumer products, the commission said, injure 20-million people a year—four times as many as are hurt in highway accidents.

The Administration does not favor a new agency, but Congress may have other ideas. The Democratic leadership is already running against the Administration on consumer issues. Senator Frank E. Moss (D-Utah), chairman of the consumer subcommittee of the Senate Commerce Committee, expects to start hearings soon on the proposed safety act and seems determined to get some action by Congress this election year.

Proponents of a new, independent agency for product safety may have to reconcile it with other proposals that would make a product safety agency subordinate to a new consumer protection agency. Another question is whether Congress will be willing to give up the power to set standards, industry by industry, that it has exercised in the past.

Mandate. The safety agency recommended by the commission would have wide-ranging powers. It would set mandatory standards, enforce them through civil and criminal sanctions, enjoin distribution of products that violate federal standards "or are unreasonably hazardous," and inspect manufacturing facilities to implement compliance. It would also:

- Require consumer notification or recall of defective products.
- Conduct public hearings, with power to subpoena.
- Disseminate information about hazardous products and ways to reduce hazards.
- Require products to be tested, and accredit private laboratories to do such work.
- Operate its own facility for research and development of testing methods and for analysis of consumer products.

In addition, the commission recommended that injured consumers be permitted to file treble damage claims in federal courts against manufacturers who "intentionally violate" safety standards; that class-action procedures be made applicable; and that state and federal courts adopt the principles of strict tort liability. The commission said the Small Business Administration should be authorized to make low-interest loans to help small businesses meet stiffer product safety requirements.

The commission did not concern itself with products such as autos, tires, pesticides, and paints, which are already under federal safety regulation. It found fault, however, with a long list of everyday products, including glass bottles, color television sets, household chemicals, architectural glass, power tools, and rotary lawn mowers.

What's pending in safety laws

Product	Legislation
Plastic sheet, plastic bags	House bill would authorize HEW Secretary to prescribe standards of design to avoid hazards
Paints	Various House and Senate bills would ban lead from paints or set procedures to reduce danger of poisoning to children
Glues and paints	House bill would amend Hazardous Substances Act to ban products containing unsafe toxic solvents
Eyeglass frames and sunglasses	House bill would ban sale or import of those made from cellulose nitrate or other flammable materials
Medicine cabinets	Senate bill would require that those used in federally-assisted housing have latches to prevent children gaining access
Medical devices	House and Senate bills would establish federal medical evaluations board to regulate biological products, medical devices, drugs
Child-resistant packaging	House bill would amend Hazardous Substances Act to keep children from access to toxic household products

How companies are reacting

Hoover Co. has set up a corporate product safety committee. Toro Mfg. Corp. watches customers operate its power mowers. American Machine & Foundry sends its "leisure time" products to be checked at a company test center.

Each of these companies, in its own way, is responding to the changing climate surrounding product safety. Together with managements throughout industry, they are taking a closer look at the things they make, spurred by a rash of public inquiries, newspaper and magazine articles, new and proposed legislation, court decisions, and rising insurance rates. And though some are reluctant to admit that product changes are needed, even manufacturers of top-quality goods concede that the clamor has had an effect on the way they do business.

Not all the changes are substantive. Hoover's new safety committee "hasn't increased the safety of our products, says G. P. Daiger, engineering vice-president. "It tells the people we are conscious of safety, and when we get in trouble on it, the committee provides a better public image." That image—of a company with specific, centralized control over safety—can close off a main line of attack in liability suits, he says.

Daiger hastens to add that Hoover has reviewed its production procedures since the clamor began, but found no

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wan, where the provincial government has cancelled contracts with companies that granted raises of more than 6% to plumbers and electricians. The province, a victim of the world wheat glut that has reduced farm incomes, has had its own 6% guideline for three years. It applies to public employees, employees of government-owned corporations, and employees of federal contractors.

Ottawa would like other provinces to follow Saskatchewan's example. Most provincial leaders feel that the initiative belongs logically to the federal government. They also tend to agree with some business and labor leaders, who regard any Canadian anti-inflation policy as futile as long as the U. S. fails to control its own inflation.

In response, Ottawa points to the slight falloff in the Canadian consumer price index (from 129.7 in April to 129.6 in May), a contrast to the steady climb of the U. S. index. It also cites the Canadian unemployment rate—a seasonally adjusted 6.2%, the highest in eight years—as a sound reason for labor wage restraint.

The CLC has been notably unimpressed by these arguments. Its latest move was a proposal for a national conference of federal officials, labor figures, and business leaders to devise "a new and more realistic and cooperative approach to our present economic problems." The Prices & Incomes Commission is not invited. ■

BW Unemployment Compensation

Jobless pay is due for overhaul

Sharply rising unemployment is beginning to cause serious drains on state jobless-pay reserves and is spurring labor's demands for "modernization" of programs that remain substantially unchanged since they were laid out in the 1930s. President Nixon has given high legislative priority to reforms, but if the programs are changed, the soundness of present funds may have to be reassessed.

In all 50 states, the reserves are sound enough now. At the end of last year, they totaled a record $12.6-billion. Benefits paid in 1969 amounted to more than $2.1-billion, but this payout was more than offset by employer contributions of $2.5-billion plus $536-million in interest on reserves.

Since then, the national unemployment rate has jumped to 5%, and the number of jobless covered by federal-state unemployment insurance also rose, to about 3.5%. The drain on reserves grew heavier, especially in Washington, California, and other states hit by aerospace layoffs.

Status of unemployment benefit funds

Year	Employer contributions: Millions of dollars	Employer contributions: Percent of total wages	Benefit payments: Millions of dollars	Benefit payments: Percent of total wages	Yearend reserves: Millions of dollars	Yearend reserves: Percent of total wages
1960	$2,289	1.17%	$2,727	1.40%	$6,643	3.41%
1961	2,450	1.23	3,423	1.72	5,802	2.91
1962	2,952	1.39	2,675	1.26	6,273	2.95
1963	3,019	1.35	2,775	1.24	6,648	2.98
1964	3,048	1.27	2,522	1.05	7,296	3.05
1965	3,053	1.18	2,166	0.84	8,357	3.24
1966	3,030	1.07	1,771	0.62	9,828	3.46
1967	2,678	0.89	2,091	0.69	10,778	3.57
1968	2,552	0.80	2,032	0.64	11,717	3.71
1969	2,545	—	2,127	—	12,637	—

Data: Bureau of Employment Security

The federal government keeps a sharp watch on the 50 state reserves. It sees no worries at present, but it wants to know what actuarial problems might arise if reforms were adopted. Under present conditions of rising unemployment, it believes each state should keep a reserve equal to 1.5 times the state's highest 12-month benefit costs. Currently, 15 states are below this rule-of-thumb minimum. If any state's reserve runs short, the government will advance funds to meet benefits payments. If unemployment deepens drastically, it may have to stand behind some programs as a guarantor.

The federal-state program for unemployment compensation is based on a 3.1% payroll tax on employers: 2.7% for the state and 0.4% to the federal government. But, except in Alaska, few employers pay the full amount because their tax obligation is reduced by a system of payments and credits. In Virginia, only 0.8% is actually levied on the employer. In the government's eyes, the low level of these taxes in some states produces undersized reserves.

Demands. Labor unions want new federal standards written into the state programs—and one of these standards could be an "adequate" tax level. In states with low tax rates, payments to jobless tend to be lower, they are paid for shorter periods, and the list of eligibles is more restricted. This has been a primary point of attack by the unions: They want bigger benefits for more workers over longer periods.

President Nixon, in his recent nationwide address on economic policy, took a long step toward the labor position, without going all the way. He called for swift enactment of reforms to "provide more help now to those workers who lose their jobs."

If the Administration's proposals were enacted quickly, political heat generated by the rise in unemployment might be shifted from White House to statehouse. It would be up to governors and legislatures to bring state laws into compliance with new federal standards, permitting extended benefits for the unemployed in their states. Since few state legislatures meet until next year, the spring of 1971 is the earliest that the new standards would apply for the jobless in most states.

The new bill. Chances are good that Congress will pass the proposals this year. The Senate and House each has approved its own version of the President's unemployment insurance bill, and a conference committee has worked out the differences between the versions. A minor roadblock has been raised by Senator John Williams, leading Republican on the Senate Finance Committee. He threatens to hold up the bill unless the Senate agrees to attach a rider to it concerning high-interest bonds—a matter that has nothing to do with the bill. Williams might drop the rider, however, if it becomes the only obstacle to enactment.

A much bigger roadblock is growing from Senate insistence that the new bill must include coverage of farm workers. The House version does not include them. The AFL-CIO has written every member of both houses demanding that the bill be kept in conference until it includes the farm workers.

The bill would cover an additional 4.8-million workers, increase some benefits, and provide extended benefits if national or state unemployment reached high levels. Payment of extended benefits would be triggered nationally if the insured unemployment rate reached 4.5% for three straight months. For a state, such payments would be triggered when its rate was 120% of the average for the same period during the two previous years. Employers' payroll taxes would be raised 0.1% to 3.2%.

Similar systems are already at work in Puerto Rico and in nine states. So far, they have taken effect only in Washington, on May 17. ■

UNEMPLOYMENT INSURANCE AND TAX INFORMATION

TEXAS EMPLOYMENT COMMISSION

B-54(162)

Unemployment Compensation

FLORIDA

Coverage

The Florida law covers employers of four or more workers for one day in each of twenty weeks during the calendar year, or employers of four or more workers in eight weeks with a payroll over $6,000 in a calendar quarter. Twenty-six states have extended coverage to firms employing fewer workers. Arkansas is one of these states; it has extended coverage to employers of one or more workers in ten days during the calendar year.

Our recommendations include extending coverage to all employing units with one or more workers at any time. In Florida, there are over 108,800 workers in firms employing from one to three workers.

The industries in which the majority of the workers are employed include: agricultural services (2,200), contract construction (10,300), manufacturing (4,100), transportation and other public utilities (2,700), retail trade (31,800), finance (11,500), wholesale trade (6,800) and services (36,600).

The largest category of unprotected employment, and the fastest growing, is employment for the State and its political subdivisions. The Florida law now permits coverage of State and local government employees by election of their employing units, but this has not provided the employees with any protection since no jurisdiction has elected to cover its workers. Our recommendations provide for mandatory coverage of employment in State and local government. Almost 250,000 Florida workers employed by State and local governments have the same risks of unemployment as do workers employed by the Federal Government and private industry. Florida could cover them on the contributory basis used by private industry or could use the reimbursement method used by other states and the Federal Government to cover their employees. Under the reimbursement method, the state is billed periodically, usually at quarterly intervals, for the amount of benefits charged to its account. It then repays this amount to the state unemployment compensation fund.

Alabama provides mandatory coverage of county employees in Walker County and Louisiana provides mandatory coverage for board of education custodial workers in cities of 500,000 population or more. Alabama covers the Walker County workers on a reimbursement basis, and Louisiana requires coverage of the custodial workers on a contributory basis.

In addition to Florida, other Southern States including: Louisiana, Tennessee, and Texas permit political subdivisions to elect coverage for public employees but no elections have been reported. This may be due to the fact that the law in each of these states specifies the contributory method of financing. The contributory system of financing would require the political subdivisions to pay taxes to the Federal Government, and it is more costly than the reimbursement system of financing coverage.

Other excluded categories you may want to consider covering are the workers in nonprofit organizations, in agricultural processing, and on large farms.

Qualifying Requirements

The Florida law requires wages equal to at least 20 times the individual's average weekly wage and an average weekly wage of at least $20 a week or more to qualify for benefits. The average weekly wage is determined by dividing an individual's total base-period wages by the number of weeks in which he worked. This formula provides benefits to workers who worked 20 weeks at $20 a week, but it could deny benefits to workers who not only worked 20 weeks at $20 a week (or more) but also had additional weeks of work for which they received lower pay that reduced their average weekly wage below $20; for example,

20 weeks at $20 per week=	$400.00
5 weeks at $15 per week=	$ 75.00
25 weeks	$475.00

average weekly wage - $475.00 ÷ 25 = $19.00

As a result of the application of this formula in 1965, only 71.2 percent of new claims filed had sufficient wage credits to qualify for benefits as compared to the national average of 86.6 percent.

Our recommendations are for requiring a worker to meet only one formula or type of wage qualifying requirement. In Florida, a worker should not be required to have more than 20 weeks of employment with earnings of $20 in each week to qualify for benefits.

Benefit Duration

Benefit duration under the Florida law is one half of the number of weeks of base period employment up to a maximum of 26 weeks. To qualify for 26 weeks of benefits a worker must have 52 weeks of base period employment. As a result, in 1965, a period of law insured unemployment, the average potential duration of new insured Florida workers filing claims was among the lowest in the country (19.5 weeks). Only Georgia, Idaho, and Indiana were lower, and Florida's benefit exhaustion ratio was one of the highest; only Texas had a higher exhaustion rate. A comparison of Florida with other Southern States relative to potential benefit duration and benefit exhaustion rates is made in the following table:

State	Potential Benefits Average Duration (in-weeks)	Workers Exhausting Benefits (% of first payment)
Florida	19.5	34.7
Alabama	23.7	29.6
Arkansas	22.1	23.3
Georgia	19.4	27.0
Louisiana	23.3	27.7
Mississippi	22.9	21.0
North Carolina	26.0	14.0
South Carolina	20.7	30.5
Tennessee	23.3	21.6
Texas	20.4	36.1

Most states provide at least two weeks of benefits for every three weeks of employment. We recommend a benefit duration of 26 weeks for all qualifying workers, but, if this standard cannot be attained, the formula should at least provide the overwhelming majority of workers 26 weeks of benefits with a minimum of at least 20 weeks and a maximum of at least 30 weeks.

Maximum Weekly Benefit Amount

Florida recently increased the maximum weekly benefit amount payable from $33.00 to $40.00. This was the first change in the maximum benefit amount since 1959 but the increase was totally inadequate. In 1959, the $33.00 maximum weekly benefit amount was 44 percent of the 1958 statewide average weekly wage of $74.43 in covered employment. The new maximum weekly benefit amount - - $40.00 - - represents only 42 percent of the 1965 statewide average weekly wage of $96.34. Below the $40.00 maximum workers can receive benefits equal to one half of their average weekly wage. No one, however, whose weekly wage is above $80 can receive a benefit amount which will compensate for half his wage loss. A number of neighboring states pay higher maximum weekly benefit amounts: Georgia ($45), South Carolina ($42), and North Carolina ($42). The maximum weekly benefit amount in South Carolina and North Carolina is equal to 50 percent of the statewide average weekly wage in covered employment.

With a state average weekly wage of $96.32 in 1965 and maximum weekly benefits of $40.00, most Florida workers with enough employment to qualify could not receive benefits equal to one half of their normal earnings. One-third of the states now express the maximum benefit amount as a specified percentage, usually 50 percent, of the state's average weekly wage in covered employment rather than a dollar amount. Such a provision automatically adjusts the dollar amount of the maximum to the changes in the wage level in the state. We recommend that the maximum weekly benefit amount provided by the law be increased to at least 66 2/3 percent of the statewide average weekly wage and provision made for annual recomputation.

This method of establishing the maximum benefit amount has been enacted in to law in Arkansas, Kentucky, Mississippi (limited to $30 maximum per week), South Carolina, and other states.

Disqualification

The disqualification provisions, in the Florida law are more stringent than in most states. The disqualification for discharge for misconduct or a voluntary quit is the same in either case - - the week of the occurrence and 1 - 12 weeks immediately following and until re-employed with wages equal to ten times the workers weekly benefit amount.

Our recommendations are for fixed periods of disqualification commensurate with the average spell of unemployment in the state. A requirement for earnings with no possible alternate can result in workers not receiving benefits when their continuing unemployment is due to lack of job opportunities in the area.

Benefit Rights of Trainees

Benefits should not be denied to a worker who is taking training courses approved by the state agency. Twenty four state laws, including Arkansas, Georgia and Tennessee, specifically permit a finding of availability for work during periods of approved training.

Benefit Financing

Efforts should be made to obtain a higher taxable wage base; we are pressing for the same base used for OASDHI. This could be accomplished in Florida by increasing the taxable wage base over a period of time; for example, annual increases as follows:

$4,200 in 1968
$5,600 in 1969
$6,600 in 1970 and

for calendar years after 1970 the definition of wages should be identical with the definition of wages in the Internal Revenue Code of 1954 for OASDHI purposes.

We realize it may not be feasible to raise the base to these levels immediately, but any improvement in the prevailing $3,000 base would be beneficial. A number of state bodies have taken this approach to the problem and many of them, including one Southern State - Tennessee, have been successful in obtaining increases in the taxable wage base within their state. Small states such as Delaware and Rhode Island have had a taxable wage base of $3,600 for a number of years. West Virginia has had a $3,600 base since 1962 and Tennessee has had a $3,300 base since 1963. An attempt to increase the base to one of these levels may be more realistic at this time.

Unemployment Compensation

GEORGIA

Coverage

The Georgia law covers employers of four or more workers in each of twenty weeks during the calendar year. This is the minimum coverage provided for in the Federal Unemployment Tax Act. Twenty six states have extended coverage to firms employing fewer workers. Arkansas is one of these states; it has extended coverage to firms employing one or more workers in ten days during the calendar year.

Our recommendations include extending coverage to all employing units with one or more workers at any time. In Georgia, there are approximately 64,000 workers in firms employing from one to three workers.

The industries in which the majority of these workers are employed include: contract construction(5,000), manufacturing (3,600), wholesale trade (4,700), retail trade (21,600), finance (5,500) and services (19,300).

The largest category of uncovered employment in Georgia, and the fastest growing, is employment for the State and its political subdivisions. About 160,000 Georgia workers employed by the State and local governments have the same risks of unemployment as do workers employed by the Federal Government or private industry. Georgia could cover them on the contributory basis used for private industry, or could use the reimbursement method used by other states and the Federal Government to cover their employees. Under the reimbursement method, the state is billed periodically, usually at quarterly intervals, for the amount of benefits charged to its account. It then repays this amount to the state unemployment compensation fund.

Alabama provides mandatory coverage of Walker County employees under this method. Louisiana provides mandatory coverage for board of education custodial workers in cities of 500,000 population, but it requires they be covered by the contributory method.

In addition to this mandatory coverage, a number of Southern States: Florida, Louisiana, Tennessee and Texas permit political subdivisions to elect coverage for public employees; however, no elections of coverage in these states have been reported. This may be due to the fact that the law in each of these states specifies the use of the contributory method of financing. The contributory method of financing would require the political subdivisions to pay taxes to the Federal Government and it is more costly than the reimbursement method of financing coverage.

Other excluded categories you may want to consider covering are the workers in nonprofit organizations, in agricultural processing and on large farms.

Maximum Weekly Benefit Amount

The present maximum weekly benefit amount in Georgia is $45. This represents a higher weekly benefit amount in dollars than most other Southern States are paying. However, it is only 49 percent of the 1965 statewide average weekly wage. Assuming a normal increase in the statewide average weekly wage in 1966 and 1967, this benefit level would now be less than 50 percent of the statewide average weekly wage. At this time, no one whose weekly wage is above $90 can receive a benefit amount which will compensate for half their wage loss. This problem has been eliminated in South Carolina, Arkansas and Kentucky, along with other states, by expressing the maximum weekly benefit amount as percent of the statewide average weekly wage in covered employment. The maximum weekly benefit amount is recomputed annually in each of these states and it usually becomes effective on or about July 1.

Our recommendations are for a maximum benefit equal to 66 2/3 percent of the average statewide weekly earnings in covered employment. We realize that many states are not at this level and the primary goal of many AFL-CIO affiliates is to have the maximum stated as a percentage (not less than 50 percent) of wages in covered employment. Once this goal is attained, it would be possible to move progressively to the 66 2/3 percent objective.

Benefit Duration

The Georgia law has a variable duration which provides for the lesser of 26 times the weekly benefit amount or one-fourth of base period wages. This fraction is the lowest used by any state, only three states use so low a level of compensation in computing benefit duration. In 1965, Georgia's new insured worker's filing claims had an average potential benefit duration of only 19.4 weeks; only Idaho and Indiana were lower. A comparison of a new insured workers potential benefit duration in Georgia and other Southern States can be made from the following table:

State	Potential Benefits Average Duration (in weeks)
Georgia	19.4
Alabama	23.7
Arkansas	22.1
Florida	19.3
Louisiana	23.3
Mississippi	22.9
North Carolina	26.0
South Carolina	20.7
Tennessee	23.3
Texas	20.4

The fraction of a worker's base period wages used to determine benefit duration in other Southern States is much higher:

State	Fraction of Base Period Wages
Arkansas	1/2
Louisiana	2/3
Mississippi	1/3
South Carolina	1/3
Tennessee	1/3

Florida determines benefit duration according to weeks of employment and North Carolina has a uniform potential duration of 26 weeks for all covered workers.

We recommend a 26 week benefit duration for all qualifying workers. Where this goal is unobtainable, the formula should at least provide the overwhelming majority of workers 26 weeks of benefits with a minimum of at least 20 weeks and a maximum of at least 30 weeks. A move in this direction could be made in Georgia by increasing the fraction from (¼) to (1/3) or (½) a worker's base period wages.

Disqualifications

The disqualification provisions in the Georgia Employment Security Law are severe. Benefit rights may be reduced by an amount equal to the number of weeks of disqualification multiplied by the weekly benefit amount. This results in postponing benefits to a disqualified worker in the early stages of his unemployment and it could also shorten the duration of the worker's benefits.

Our recommendations are for fixed periods of disqualifications commensurate with the average period of unemployment in the state.

Benefit Rights of Trainees

Although individuals attending approved training courses are held available for work and paid benefits under your law, there is no provision to protect them from disqualification for refusing work. Seventeen states, including Arkansas, have provisions of this nature in their laws.

Benefit Financing

Efforts should be made to obtain a higher taxable wage base. Twenty-one states, including Tennessee, have increased the taxable wage base above $3,000. We are pressing for the same base used for OASDHI. This could be accomplished in Georgia by increasing the taxable wage base over a period of time; for example, annual increases as follows:

$4,200 in 1968
$5,600 in 1969
$6,600 in 1970 and

for calendar years after 1970 the definition of wages should be identical with the definition of wages in the Internal Revenue Code of 1954 for OASDHI purposes.

We realize it may not be feasible to raise the base to these levels immediately, but any improvement in the prevailing $3,000 base would be beneficial. A number of state bodies have taken this approach to the problem and many of them, including one Southern State - Tennessee, have been successful in obtaining increases in the taxable wage base within their state. Small states such as Delaware and Rhode Island have had a taxable wage base of $3,600 for a number of years. West Virginia has had a $3,600 base since 1962 and Tennessee has had a $3,300 base since 1963. An attempt to increase the base to one of these levels may be more realistic at this time.

NORTH CAROLINA

1. Benefit Formula

a. Qualifying Requirement

To qualify for benefits an individual must earn $550 in his base period, and such wages must be earned in more than one calendar quarter. A flat amount of earnings is not a satisfactory measure of a claimant's attachment to the labor market. For example, the claimant earning $100 a week can satisfy the requirement by 5½ weeks of employment provided his employment overlaps 2 quarters, but a worker earning $30 a week would need over 18 weeks of employment to qualify.

b. Base Period

The current law defines base period as the first 4 of the last 6 completed calendar quarters. This means that the lag period between the base period and the benefit year may be from 6 to almost 9 months. Such a long lag period is contrary to the objective that eligibility for benefits and the amount of the weekly benefit be based on recent employment and earnings.

c. Weekly Benefit Amount

A current State law provides for an annual wage formula with weekly benefit amounts ranging from a $12 minimum to a $35 maximum. These benefits range from 2 percent of the base period earnings at the minimum benefit level to 1 percent of such wages at the maximum benefit level. Although the maximum benefit is equal to 47 percent of the State's 1963 average weekly wage of $76.45, only 11.2 percent of the claimants in 1963 qualified for the maximum

amount. The reason for the small proportion of claimants qualifying at the maximum benefit amount is that the qualifying wage requirements at this and other benefit levels are very high. For example, only one other State with an annual wage formula requires such high annual earnings to qualify for the maximum weekly benefit amount as the $3,600 required in North Carolina to qualify for a $35 weekly benefit amount--West Virginia law requires $3,650. This means that a person who earns $70 a week in his base period would need more than 51 weeks of work to qualify for a weekly benefit amount ($35) equal to 1/2 of his weekly wage.

Benefits based on a percentage of annual earnings bear only a chance relationship to the claimant's earnings. A high quarter or an average weekly wage formula would more closely relate benefits to regular weekly earnings. The maximum benefit amount could be related to recent State average weekly wage and could provide for an automatic adjustment at least once a year. It is generally considered that a formula which relates the weekly benefit to high quarter wages or to the individual's average weekly wage and sets the maximum benefit amount at 2/3 of the State's average weekly wage will assure that most covered workers will be able to qualify, when unemployed, for benefits which approximate 1/2 of their regular earnings.

d. Duration

The current law provides for uniform duration of 26 weeks and for an 8-week period of extended benefits when insured unemployment rate averages 9 percent or more for any 3 weeks in a consecutive 4-calendar-week period. Since the rate of insured unemployment has exceeded 6 percent only twice since 1946

(6.4 percent in 1954 and 6.2 percent in 1958), it is unlikely that the extended benefits provision will become operative in any forseeable future unless the percentage which would trigger the provision is reduced.

2. Disqualifications

a. The disqualification period under the current State law for voluntary leaving and refusal of suitable work is for 4 to 12 weeks (for misconduct, 5 to 12 weeks) beginning with the first week in which the claim is filed if the claimant is found unemployed as a result of the disqualifying act. Also benefits are reduced for a period equal to the number of weeks for which claimant is disqualified. These provisions are inconsistent with the view that the disqualification should (1) postpone benefits for only that number of weeks in which claimant's unemployment is considered to result from his disqualifying act (on the basis of national data, about a 6-week period), (2) not reduce benefits, and (3) begin with the week of the disqualifying act. Also, the provision imposing disqualification for voluntary leaving limits "good cause" to that "attributable to the employer" and thereby requires disqualification in situations where the quit is for good personal cause, such as illness.

b. The current labor dispute provision requires imposition of a disqualification if the claimant's unemployment is caused by a labor dispute at the place where he is or was last employed or is caused by a labor dispute "at another place, either within or without this State, which is owned or operated by the same employing unit which owns or operates the factory, establishment, or other premises at which he is or was last employed and which supplies materials

or services necessary to the continued and usual operation of the premises at which he is or was last employed" regardless of whether the claimant is directly interested in the dispute. This is one of the most severe labor dispute disqualifications in the country. Consideration should be given to restoring provisions which were in effect prior to the 1961 amendments, when the State law limited disqualification for unemployment caused by a labor dispute at the place where the claimant was last employed with the usual "escape clauses" exempting from denial of benefits workers who were not participating in, financing or directly interested in the dispute or who did not belong to a group or class of workers who were participating in, financing or directly interested in the dispute.

c. The current law provides that the claimant must actively seek work. This requirement is strictly applied and in some cases results in fruitless search for work and needless irritation of employers. Consideration could be given whether the provisions could be amended so as to permit the suspension of this requirement when labor market conditions in the locality where claimant seeks employment make such search meaningless.

d. The current law includes seasonality provisions which limit payment of benefits based on wages earned in seasonal employment to the period corresponding with the active seasonal period of the base period employer with whom the claimant earned wages in seasonal employment. These provisions are not only burdensome to administer but seem inequitable with respect to claimants with only part of their base period earnings from seasonal employment. The question should be explored whether the seasonal provisions would be considered necessary if the State law included a qualifying requirement, such

as a weeks-of-work test, which would exclude marginal seasonal workers from the State unemployment insurance program.

e. The current law provides for denial of benefits in cases of separation for pregnancy with an irrebuttable presumption of ineligibility during the 3-month period preceding and the 3-month period following childbirth with the latter becoming a rebuttable presumption in the event of the death of the child. It would be preferable if the eligibility of claimants who become separated were determined under the availability-for-work and ability-to-work provisions.

f. Under the present law, severance pay is considered as wages and is allocated on the basis of the normal full-time weekly wage to weeks following separation. Thus, an individual is considered not to be unemployed and is ineligible for benefits in weeks to which such pay is allocated. Consideration should be given as to whether the ineligibility period should extend beyond the week in which the claimant receives such pay.

3. Eligibility During Training

The current law does not include a provision specifically exempting a claimant who is taking training approved for him by the State agency from the availability-for-work and search-for-work provision. For some claimants, taking such training may be the most reasonable course which they could pursue in order to become reemployed. Unless this can be done by interpretation of the current law, an enactment of a provision should be sought which would provide for exemption of such trainees, if otherwise eligible and entitled to benefits, from the stated eligibility requirements.

4. Coverage

The coverage provisions of the North Carolina law provide for coverage of an employer with 4 workers in 20 weeks. This excludes 37,300 employing units or 34.9 percent of all employing units. It further excludes 65,200 workers or 6.6 percent of all nonagricultural workers.

Unemployment Compensation

NORTH CAROLINA

Coverage

The North Carolina Employment Security Law covers employers of four or more workers for one day in each of twenty weeks during the calendar year. This is the minimum coverage provided by the Federal Act and it leaves a significant number of workers in the state unprotected. Twenty-six states have extended coverage to firms employing fewer workers. Arkansas is one of these states; it has extended coverage to employers of one or more in ten days during the calendar year.

Our recommendations include extending coverage to all employing units with one or more workers at any time. In North Carolina, there are over 70,000 workers in firms employing from one to three workers. The industries in which the majority of these workers are employed include: contract construction (7,400), manufacturing (3,700), wholesale trade (4,700), retail trade (24,500), finance (5,300) and services (22,100).

The largest category of excluded employment, and the fastest growing, is employment for the State and its political subdivisions. Almost 175,000 North Carolina workers employed by State and local governments have the same risks of unemployment as do those employed by the Federal Government and private industry. North Carolina could cover them on the contributory basis used for private industry or could use the reimbursement method used by other states and the Federal Government to cover their employees. Under the reimbursement method, the state is billed periodically, usually at quarterly intervals, for the amount of benefits charged to its account. It then repays this amount to the state unemployment compensation fund.

Alabama provides mandatory coverage of Walker County employees under this method. Louisiana provides mandatory coverage for board of education custodial workers in cities of 500,000 population, but it requires they be covered by the contributory method.

In addition to this mandatory coverage, a number of Southern states: Florida, Louisiana, Tennessee and Texas permit political subdivisions to elect coverage for public employees; however, no elections of coverage in these states have been reported. This may be due to the fact that the law in each of these states specifies that coverage be financed by the contributory method. The contributory method of financing would require the political subdivisions to pay taxes to the Federal Government and it is more costly than the reimbursement method.

Other unprotected categories you may want to consider covering are the workers in nonprofit organizations, in agricultural processing and on large farms.

Benefits

North Carolina is one of six states which base benefits on annual wages without considering weeks of employment. A worker's benefit amount is thereby reduced if his annual wages are depressed for any reason - - short work-weeks, time off for personal reasons or illness. Weekly benefits based on annual wages cannot be expected to assure that a worker's weekly benefit amount will replace at least 50 percent of his usual weekly earnings at benefit levels below the maximum. Other states avoid this by establishing the weekly benefit at one half the worker's weekly earnings in his best base year quarter. Wages lost in other quarters do not reduce his weekly benefit amount, therefore, the benefit approaches, to some degree, 50 percent of the worker's full time weekly earnings. Alabama and South Carolina are two states in your Region that use the high-quarter formula. In each case it is 1½ times high-quarter wages. Arkansas expresses the formula as a multiple of the weekly benefit amount; this formula requires wages in two quarters equal to 30 times the weekly benefit. These are the type of wage qualifying requirements contained in our recommendations.

Maximum Weekly Benefit Amount

The maximum weekly benefit amount which was raised to $42 in 1965 represents 50 percent of the 1965 statewide average weekly wage of $84.09. Assuming a normal increase in the statewide average weekly wage in 1966 and 1967, this benefit level would now be less than 50 percent of the statewide average weekly wage. At this time, no worker whose weekly wage is above $84.00 can receive a weekly benefit to compensate for one half his wage loss. This problem has been eliminated in South Carolina, Arkansas, Kentucky and other states by expressing the maximum weekly benefit amount as a percent of the statewide average weekly wage in covered employment. This type of legislation provides for the automatic adjustment and recomputation of the maximum benefit amount. This is usually done annually on or about July 1 in each state. This arrangement also has the advantage of eliminating the need to approach the legislature time after time to improve the benefit structure of the program.

Our recommendations are for a maximum benefit equal to 66 2/3 percent of the average statewide weekly earnings in covered employment. We realize that many states are not at this level and the primary goal of many AFL-CIO affiliates is to have the maximum benefit stated as a percentage (not less than 50 percent) of wages in covered employment. Once this goal is attained, it would be possible to move progressively to the 66 2/3 percent objective.

Disqualifications

North Carolina law permits cancellation of benefit rights for each week of penalty disqualification. This results in postponing benefits to a disqualified worker in the early stages of his unemployment and it could also shorten the duration of the worker's benefits.

Our recommendations are for fixed periods of disqualification commensurate with the average period of unemployment in the state.

Benefit Rights of Trainees

We recommend that each state law contain a provision prohibiting the denial of benefits to any worker that is participating in a training course with the approval of the state agency. Twenty-four state laws, including Arkansas, Georgia and Tennessee already have provisions regarding eligibility for unemployment benefits during periods of approved training.

Taxable Wage Base

Efforts should be made to obtain a higher taxable wage base. Twenty-one states, including Tennessee, have increased the taxable wage base over $3,000. We are pressing for the same base used for OASDHI. This could be accomplished in South Carolina by increasing the taxable wage base over a period of time; for example, annual increases as follows:

$4,200 in 1968
$5,600 in 1969
$6,600 in 1970 and

for calender years after 1970 the definition of wages should be identical with the definition of wages in the Internal Revenue Code of 1954 for OASDHI purposes.

We realize it may not be feasible to raise the base to these levels immediately, but any improvement in the prevailing $3,000 base would be beneficial. A number of state bodies have taken this approach to the problem and many of them, including one Southern State - Tennessee, have been successful in obtaining increases in the taxable wage base within their state. Small states such as Delaware and Rhode Island have had a taxable wage base of $3,600 for a number of years. West Virginia has had a $3,600 base since 1962 and Tennessee has had a $3,300 base since 1963. An attempt to increase the base to one of these levels may be more realistic at this time.

Oklahoma

1. Benefit Formula

a. Weekly Benefit Amount

The present law provides for a $10 minimum and a $32 maximum weekly benefit amount. The maximum is one of the five lowest in the country and represents only 35 percent of the 1963 State-wide average weekly wage of $92.25. In 1963, about 46 percent of the claimants were entitled to the maximum weekly benefit amount. This high concentration of claimants at the maximum indicates that the formula no longer relates benefit amounts to earnings for a high percentage of the claimants but rather that their benefits are determined by the statutory maximum--in effect, a flat rate of $32.

Under the Oklahoma high-quarter benefit formula, benefits are computed as 1/26 of the claimant's wages in insured work paid him during the quarter of highest earnings in the base period. The use of this fraction assures that benefits at levels below the maximum approximate 1/2 of the claimants' earnings only if they have been employed in 13 weeks in the high quarter. Many claimants work less than this number of weeks in the high quarter.

The maximum benefit amount should be related to recent State average weekly wage, and the formula should provide for periodic, such as annual, adjustment. A formula under which the maximum benefit represents 2/3 of the State's average weekly wage generally assures that the great majority of the covered workers will, when unemployed, qualify for benefits which will approximate 1/2 of their regular weekly earnings.

b. Duration

The present law provides for the lesser of (1) 39 times an individual's weekly benefit amount or (2) 1/3 of his base-period wages. Although the 39-week potential duration period is the highest in the country, it is available to only a small percentage of claimants. In 1963, about 10 percent of the claimants were entitled to the 39-week duration. In the same period, the average potential duration was 26.8 weeks; average actual duration, 13.3 weeks; and average duration of exhaustees 23.2 weeks. In fact, 41 percent of all claimants qualified for less than 26 weeks while 63 percent of exhaustees received less than 26 weeks in 1963.

One of the reasons why only a small percentage of claimants qualify for the maximum duration is that the formula is so constructed that only some claimants who qualify at the maximum weekly benefit amount of $32 can qualify for the maximum duration. It takes $3,744 in base period earnings to qualify for 39 weeks (more than four times the minimum high-quarter earnings of $806.01 needed to qualify for the maximum weekly benefit amount). At all levels below the maximum, even a claimant with base-period earnings equal to four times the upper limit of the high-quarter earnings requirement, i.e., fully employed year round, would be unable to qualify for the maximum duration because of the limitation that total benefits cannot exceed 1/3 of base period wages. For example, a claimant who qualified for a $20 weekly benefit amount and had base period earnings of $2,080 (four times the upper limit of the high-quarter earnings requirement at this benefit level) would be entitled only to $694 in benefits, or for a period of 34.7 weeks.

Another reason is that section 229(1) of the State law (definition of "wages") permits the use of only taxable wages in the computation of duration and weekly benefit amounts. Since only $3,000 of an individual's earnings from any employer in a calendar year is taxable, it would appear that only claimants whose base periods overlap parts of two calendar years or who have taxable base period earnings from two or more employers can qualify for maximum duration. The latter group would include only those workers who are not subject to the provision of the State law which limits the taxable wages paid by the predecessor and successor to any worker in a calendar year to $3,000.

If the maximum weekly benefit amount were higher than it is now--as it should be--even fewer individuals would qualify for 39 weeks.

In addition to an appropriate adjustment in the duration formula so that claimants could qualify for maximum duration of 39 weeks at all benefit levels, consideration should be given to the amendment of the definition of "wages," so that all earnings in insured work could be used in the computation of claimants' duration and benefit amounts.

2. Disqualifications

a. The provision relating to voluntary leaving provides for disqualification except where the quit is for "good cause connected with claimant's work." By so limiting "good cause," the provision requires the imposition of a disqualification in cases where the claimant has good personal cause for leaving, such as illness, for the reason that such cause is not connected with his work.

b. The provisions relating to voluntary leaving and misconduct provide for a 6-week disqualification period immediately following the claimant's filing

of a valid claim. This permits the imposition of a disqualification long after the period of unemployment which presumably resulted from the claimant's action (i.e. voluntary leaving or misconduct) has passed.

c. The State law provides for the deduction from unemployment benefits of the entire primary OASI benefits and of payments from private pension plans sponsored or participated in by the employer. Such a provision requires the deduction of pension payments even when benefits are paid on the basis of wages earned after claimant's retirement. Also, it does not take into account that the claimant may have contributed to the retirement fund. For example, one-half of the claimant's primary OASI benefits are based on his contributions to the retirement fund.

d. The State law does not include a provision which would permit payment of unemployment benefits during weeks in which a claimant is attending training which has been approved for him by the State agency. Under some circumstances, attending such training is the most reasonable course for the claimant to pursue in order to become reemployed. Therefore, unless this can be accomplished by interpretation of the current statutory provisions, the State law should be amended to provide specifically that a claimant who is taking such training will be eligible for benefits.

e. The State law provides for a 6-week disqualification period preceding childbirth and the 6-week period following the actual birth of the child. Consideration might be given whether this provision could be expressed in terms of a rebuttable presumption of ineligibility during such periods.

3. Taxable Wage Base

The State law limits wages to $3,000 not only for the purposes of contributions but also with respect to benefits. Although all earnings for insured work are used in determining whether the claimant satisfied the qualifying earnings requirement, benefit amounts and duration are determined only on the basis of taxable wages. For a case in point see Commerce Clearing House Reporter page 39591, paragraph 8106.2

4. Coverage

The coverage provisions of the Oklahoma law provide for coverage of an employer with 4 workers in 20 weeks. This excludes 25,500 employing units, or 57.1 percent of all employing units. It further excludes 43,000 workers or 10.2 percent of all nonagricultural workers.

SOUTH CAROLINA

1. Benefit Formula

a. Weekly Benefit Amount

The present law provides for a $10 minimum and an annually adjusted maximum weekly benefit amount of 50 percent of the State average weekly wage. The current maximum weekly amount is $38.

Under the South Carolina high-quarter benefit formula, benefits are computed as 1/26 of the claimant's wages in insured work paid him during the quarter of highest earnings in the base period. The use of this fraction results in benefits at levels below the maximum which approximate 1/2 of the claimants' earnings only if they have been employed in 13 weeks in the high-quarter. Many claimants work less than this number of weeks in the high quarter.

Consideration might also be given to defining the maximum weekly benefit amount as 2/3 of the State average weekly wage instead of the present 50 percent. If any worker earning more than the average weekly wage is to be compensated for 50 percent of his wage loss, the maximum needs to be set at a level higher than 50 percent of such average weekly wage. The Bureau recommends that the maximum weekly benefit amount be set at a point that would assure that the great majority of covered workers, when unemployed, would be compensated for 50 percent of their wage loss. In general, this goal would be achieved if the maximum weekly benefit amount were set at 2/3 of the State average weekly wage.

b. Duration

South Carolina has a variable duration period with a minimum of 10 weeks and a maximum limited to the lesser of 1/3 of base period wages or 22 weeks. The

maximum 22-week duration period is the lowest in the country. In calendar year 1963, 70.9 percent of all new claimants were entitled to the maximum duration of 22 weeks. In the same year, the average actual duration of exhaustees was 19.5 weeks. Of the claimants who filed claims and received first payments in fiscal year 1962, 36.2 percent (the third highest ratio in the country) exhausted their benefits during 1963. In view of the number of claimants entitled to maximum duration and the high exhaustion ratio, there appears to be a need for increasing both the duration fraction and the maximum weeks of duration. A uniform duration period of 26 weeks or an alternative variable duration period ranging from a minimum of 20 weeks to a maximum of at least 30 weeks with a duration fraction of 3/5 or 2/3 of base-period wages would be desirable. The State law does not include any provision authorizing payment of extended benefits in the event of prolonged and widespread unemployment.

2. Disqualifications--three major causes

The disqualification periods for the major causes vary. The disqualification period for voluntarily leaving most recent work without good cause and for discharge for misconduct connected with the most recent work begins with the effective date of the claim; the disqualification period is 2 to 6 weeks and 6 to 23 weeks, respectively. For refusal of suitable work without good cause, the disqualification period is the week of occurrence and 4 weeks. For repeated refusals the individual may be disqualified until he becomes reemployed with wages equal to 8 times his weekly benefit amount. For all three causes, if the Commission determines the circumstances warrant, an individual's potential benefits may be reduced by an amount equal to the weekly benefit amount multiplied by the number of weeks of disqualification.

It is considered desirable to have the length of the disqualification period the same for all three major causes. The period of disqualification should be limited to the length of time ordinarily required for an employable worker

to find suitable work in a reasonably normal labor market. The period of disqualification should apply immediately after the week of the disqualifying act. The discretionary charge against benefits acts as a penalty and should be discontinued.

3. We found the availability provisions in South Carolina to be subject to undesirable interpretation. In order to qualify for benefits, a claimant must be available for the same sort of work and at the same hours as at his last place of employment. Consequently, if a person moves to an area which does not provide work similar to that which the claimant last performed, he is held unavailable.

   An application for workmen's compensation benefits is considered an admission by the claimant that he is unable to do the kind of work he was previously doing and he is therefore ruled ineligible for benefits.

   A union worker who restricts his work search to the union wage scale and to union employment is deemed not available, because the prevailing wage is lower than the union scale.

4. The coverage provisions of the South Carolina law provide for coverage of an employer with 4 workers in 20 weeks. This excludes 17,400 employing units or 52.2 percent of all employing units. It further excludes 30,600 workers or 6.6 percent of all nonagricultural workers.

5. The taxable wage base in South Carolina is $3,000. Although the financing conditions in South Carolina are good, if our recommended changes are adopted, it might be necessary for an increase in the taxable wage base.

6. We have noticed that the South Carolina law does not have a provision for extended unemployment benefits in instances of high unemployment or a provision to protect claimants taking training which is approved for them by the State agency from being held ineligible for benefits. Under some circumstances, attending such training is the most reasonable course for the claimant to pursue in order to become reemployed. Therefore, unless this can be accomplished by interpretation of the current statutory provisions, the State law should be amended to provide specifically that a claimant, if entitled and otherwise eligible for unemployment benefits, will not be denied such benefits while he is taking such training.

Texas

1. Benefit Formula

a. Wages Limitation

Section 3(e) of the current State law provides that, for purposes of determining the weekly benefit amounts and duration of benefits, the $3,000 limitation on taxable wages does not apply but that only remuneration in insured work up to $4,800 may be used for these purposes. Since the provisions of the State law which prescribe the earnings qualifying requirements (section 4(e)) are not referred to in section 3(e), it appears that the $3,000 limit on taxable wages is applied in determining whether the claimant has met any of the three alternative qualifying requirements. If so, an amendment should be sought which would remove the restriction that, for purposes of the qualifying requirements, only taxable wages may be used.

b. Weekly Benefit Amount

The present law provides for $10 minimum and a $37 maximum benefit amount. The maximum represents only 40 percent of the State average weekly wage for the 12-month period ending on June 30, 1964. The laws in 31 States currently provide for a higher maximum benefit amount. In 1963, about 44 percent of the claimants were entitled to the maximum benefit amount. This high concentration of the claimants at the maximum indicates that the formula no longer relates benefit amounts to earnings for a high percentage of claimants but rather that their benefits are determined by the statutory maximum--in effect, a flat rate of $37.

Under the current high-quarter benefit formula, benefits are computed as 1/25 of the claimant's wages in insured work paid him during the quarter of highest earnings in the base period. The use of this fraction results in benefits at benefit levels below the maximum which approximate one-half the claimants' wage loss only if they have been employed at least 12½ weeks in the high quarter. Many claimants work less than this number of weeks in the high quarter.

The maximum benefit amount could be related to recent State average weekly wage; and the formula should provide for its periodic adjustment, such as once a year. It is generally considered that a formula under which the maximum benefit represents 2/3 of the State's average weekly wage generally will assure that the great majority of the covered workers would, when unemployed, qualify for benefits which would approximate 1/2 of their regular weekly earnings.

c. Duration

The present law provides for the lesser of (1) 26 times the weekly benefit amount or (2) 27 percent of the wage credits (wage credits are limited to $4,800 earned in a calendar year) with a 10-week minimum duration period. Texas is among the four States with the lowest duration fraction. Georgia, Indiana and Virginia limit benefits to 1/4 of base-period wages and Texas to 27 percent. The average actual duration of exhaustees in calendar year 1963 was 16.8 weeks. Of the claimants who filed claims and received first payments

in fiscal year 1962, 41.3 percent exhausted their benefits during 1963. In view of the low average actual duration of exhaustees and the high ratio of exhaustions, a need is indicated for increasing duration either by providing for uniform duration or by increasing the percentage which limits benefits to a proportion of base-period wages to at least 40 percent of such base-period wages.

2. Qualifying Requirements

The State law provides for the following three alternative qualifying requirements:

(a) $375 total wages in the base period, with at least $250 in one quarter and $125 in another quarter;

(b) $450 total wages in the base period, with at least $50 in each of 3 quarters; and

(c) $1,000 in one quarter of the base period.

The current alternative requirements are inequitable as between low and high wage earners. For example, an individual who qualifies under the $1,000 in one quarter requirement can do so in 13 weeks or less. Claimants who qualify under the $450 requirement need $350 in the high quarter and at least $50 in each of two other quarters, and those who qualify under the $375 requirement must have earned at least $125 outside of the high quarter. A weeks-of-work qualifying requirement would appear to provide a more effective test of claimants' attachment to the labor market than the current alternative requirements.

3. Disqualifications

The current law provides for a 1- to 26-week disqualification period for voluntary leaving and misconduct and for a 1- to 13-week disqualification period for refusal of suitable work, with the disqualification period beginning with the week of the filing of the valid claim. In addition, the State law requires that an individual's total benefits be reduced by the number of weeks which corresponds to the number of weeks for which he is disqualified for any of the three major causes.

Provisions which require that the disqualification period begin with the week of the valid claim permit disqualification for periods which are beyond those generally considered to have been caused by the claimant's disqualifying act. The disqualification should be only for the period during which claimant's unemployment is considered to have resulted from his own action and should not provide for reduction of total benefits thereby making it in effect a penalty provision. It is desirable that the length of the disqualification period for the three major causes be the same and that this period not be longer than that generally considered necessary for an employable worker to find work in a normal labor market. On the basis of national data, this would be about a 6-week period.

The disqualification provision relating to voluntary quits limits "good cause" to that connected with the claimant's work. Such a provision is undesirable because it requires disqualification in cases where the claimant may be forced to quit a job for good personal cause, such as illness.

Although the labor dispute disqualification provision includes the usual "escape clauses" it provides for the denial of benefits not only when the labor dispute occurs at the place where the claimant is or was last employed, but also when his unemployment is "because of a labor dispute at another place, either within or without this State which is owned or operated by the same employing unit which owns or operates the premises at which he is or was last employed, and supplies materials or services necessary to the continued and usual operation of the premises at which he is or was last employed." This is one of the most severe labor dispute disqualification provisions which are in effect in this and in a few other States. Consideration should be given to whether the provision could be amended to limit disqualification during weeks of unemployment which arises from a dispute at the place where the worker is or was last employed.

In our review of the agency decisions in cases where a labor dispute was in issue, we have noted that in some instances the merits of the labor dispute are considered and if the finding is that claimants have violated the employment contract the disqualification for misconduct, instead of that pertinent to labor disputes, is applied. In this respect, the agency seems to follow a different rule with respect to workers than it does with respect to the employers. For example, if the finding is that the labor dispute resulted from the employer's violation of the contract, the claimants would be disqualified under the labor dispute provision. Consideration could be given as to whether amendment of the State law is necessary to preclude the determinations which go to the merits of labor dispute.

The State law also provides for the reduction of unemployment benefits by amounts paid to the claimants in the form of old-age benefits and compensation for temporary partial disability. Since the claimant contributes one-half of the cost to the fund from which old-age and survivors insurance payments are made, it would appear that if such payments are to be deducted from unemployment benefits not more than one-half of such payments should be deductible.

It seems inequitable to deduct temporary partial disability payments from unemployment benefits if the partial disability for which such payments are made does not affect the claimant's availability for work. Such partial disability may have already penalized the claimant because it made it necessary that he seek less remunerative work than that he previously performed.

4. Availability During Training

The State law does not currently include a provision which would permit the payment of unemployment benefits during weeks in which a claimant is otherwise eligible but is attending training which has been approved for him by the State agency. Under some circumstances, attending such training is the most reasonable course for a claimant to pursue in order to become reemployed. Therefore, unless this can be accomplished by interpretation of the current statutory provisions, the State law should be amended to provide specifically that a claimant who is taking such training, if otherwise eligible for and entitled to unemployment benefits, will not be denied such benefits during weeks in which he is taking such training.

5. Coverage

The State law covers any employing unit of four workers in 20 weeks in any calendar year. This excludes 101,600 employing units or about 56 percent of all employing units. It thereby also excludes 171,400 workers of such employing units, or about 8.6 percent of all nonagricultural workers.

Unemployment Compensation

VIRGINIA

Coverage

The Virginia Unemployment Compensation Act covers employers of four or more workers for one day in each of twenty weeks during the calendar year. This is the minimum coverage required by the Federal Unemployment Tax Act, and it leaves a significant number of workers in the state unprotected. Twenty-six jurisdictions have extended coverage to firms employing fewer workers. A number of Virginia's neighbors are among the jurisdictions that have extended coverage including the following:

Jurisdiction	Coverage
District of Columbia	one worker at any time
Maryland	one worker at any time
Delaware	one worker in each of 20 weeks
Pennsylvania	one worker at any time

Our recommendations include extending coverage to all employing units with one or more workers at any time. In Virginia, there are over 56,000 workers in firms employing from one to three individuals. The industries in which the majority of these workers are employed include: contract construction (6,500), manufacturing (2,000), transportation and public utilities (2,000), wholesale trade (2,800), retail trade (18,000), finance (5,200), services (18,400).

The largest category of excluded employment, and the fastest growing, is employment for the State and its political subdivisions. Almost 173,000 Virginia workers employed by the State and local governments have the same risks of unemployment as do those employed by the Federal Government and private industry. Virginia could cover them on the contributory basis used to finance private industry coverage, or it could use the reimbursement method of financing used by other states and the Federal Government to cover their employees. Under the reimbursement method of financing coverage, the state is billed periodically, usually at quarterly intervals, for the amount of benefits charged to its account. It then repays this amount to the state unemployment compensation fund.

The District of Columbia has elected to cover all its workers under this method of financing. Delaware also permits State and local government agencies to elect coverage for their employees under this method.

A number of other states including: Florida, Kentucky, Tennessee, and Maryland permit state agencies and political subdivisions to elect coverage for public employees, but they require the contributory method of financing. The contributory method of financing requires the state agency or political subdivision electing coverage to pay taxes to the Federal Government, and elections of coverage have not been widespread.

Other unprotected categories you may want to consider covering under the Virginia law are workers in nonprofit organizations, workers employed in plants processing agricultural products and workers on large farms.

Wage Qualifying Requirements

The Virginia law requires 46 weeks of employment with earnings of at least $736 in two quarters of the base period. This is the most restrictive wage qualifying provision contained in any state law. None of Virginia's neighboring states apply such a severe test of labor force attachment. I have listed the wage or employment qualifications required in a few of these states below:

State	Wage or Employment Qualifications
District of Columbia	1½ times high quarter wages but not less than $276; with $130 in 1 quarter
Maryland	1½ times high quarter wages; with $192.01 in 1 quarter and wages in 2 quarters
Pennsylvania	36 weeks with $120 in high quarter and at least 20% of base period wages in another quarter
West Virginia	$700 in base period
Tennessee	36 weeks; with $338.01 in 1 quarter
North Carolina	$550 in base period; 20% of wages in quarter other than high quarter

Benefits

The maximum weekly benefit amount in Virginia in 1967 is $42. The average weekly wage in covered employment, as of January 1, 1967, was $93. The maximum weekly benefit represented only 45 percent of the statewide average weekly wage. Assuming a normal increase in the statewide average weekly wage during the year; this benefit level as a percent of the statewide average weekly wage is perhaps even lower at this time. Under the current benefit structure no worker earning more than $84.00 a week can receive a benefit equal to 50 percent of his weekly wage.

The problem of maintaining the maximum benefit at a level equal or close to 50 percent of the statewide average weekly wage has been eliminated in a number of states including South Carolina, Kentucky, West Virginia, and the District of Columbia by expressing the maximum weekly benefit amount as a percent of the statewide average weekly wage in covered employment. This type of legislation provides for the recomputation and automatic adjustment of the maximum benefit amount. This is usually done annually on or about July 1 in each state. This arrangement also has the advantage of eliminating the need to approach the legislature time after time to improve the benefit structure of the program.

Our recommendations are for establishing a maximum weekly benefit equal to 66 2/3 percent of the average statewide weekly wage in covered employment. We realize that many states are not at this level, but the primary goal of many AFL-CIO affiliates is to have the maximum benefit stated as a percentage (not less than 50 percent) of weekly wages in covered employment. Once this goal is attained, it would be possible to move progressively to the 66 2/3 percent objective.

Benefit Duration

Benefit duration under the Virginia law is variable. It is based upon a percent of base period wages (26-25 percent). This is one of the lowest percentages or fractions used by any state upon which to base benefit duration. North Carolina, West Virginia, and Maryland laws provide all qualifying workers a benefit duration period of 26 weeks. Other states use percentages or fractions of base period wages, but they are higher than Virginia:

State	Fraction or Percent of Base Period Wages Used to Determine Benefit Duration
South Carolina	1/3
Tennessee	1/3
Kentucky	1/3
Pennsylvania	1/2
Delaware	40%
District of Columbia	1/2

As a result of the low percentage of base period wages used to determine benefit duration, in 1965, a period of low unemployment, the average potential duration of new insured Virginia workers filing claims was among the lowest in the country (20.0 weeks). Only Florida, Georgia, Idaho, Indiana, and Puerto Rico were lower. A comparison of Virginia and other states in this area relative to potential benefit duration are made in the following table:

State	Potential Benefit Average Duration (in weeks)
District of Columbia	30.2
Maryland	26.0
Delaware	23.2
Pennsylvania	28.6
West Virginia	26.0
Tennessee	23.3
Kentucky	23.1
North Carolina	26.0

Most states provide at least two weeks of benefits for every three weeks of employment. We recommend a uniform benefit duration of 26 weeks for all qualifying workers, but if this standard cannot be attained the formula should at least provide the overwhelming majority of workers, 26 weeks of benefit duration after

a qualifying labor force attachment period of 20 weeks.

Disqualifications

The disqualification provisions in the Virginia law are more stringent than in most states. The penalty for voluntary quit, discharge for misconduct, and refusal of suitable work is for the period of unemployment plus thirty days work.

Our recommendations are for fixed periods of disqualification commensurate with the average spell of unemployment in the state. A requirement of re-employment with no possible alternate can result in workers not receiving benefits when their continuing unemployment is due to lack of job opportunities in the area.

As you know, Virginia is one of six states that does not permit simultaneous receipt of unemployment insurance and supplemental unemployment benefits. The other states are New Hampshire, New Mexico, Puerto Rico, South Carolina, and South Dakota. Forty six states permit the simultaneous receipt of these benefits, but the Virginia law, that might have been interpreted to permit it, was amended to forbid it.

Benefit Rights of Trainees

We recommend that each state law contain a provision prohibiting the denial of benefits to any worker that is participating in a training program with the approval of the state agency. The Virginia law does not contain such a provision, but twenty-six states including the District of Columbia, Delaware, Pennsylvania, West Virginia, Tennessee, Georgia, and North Carolina already have enacted provisions relative to unemployment insurance benefit eligibility during periods of approved training.

Taxable Wage Base

Efforts should be made in Virginia to obtain a higher taxable wage base. Twenty-one states including Delaware, Pennsylvania, West Virginia, and Tennessee have increased their taxable wage base above $3,000. We are pressing for the same tax base used for OASDHI purposes. This could be accomplished in Virginia by increasing the taxable wage base over a period of time; for example, annual increases as follows:

$4,200 in 1968

$5,600 in 1969

$6,600 in 1970, and

for calendar years after 1970 the definition of wages should be identical with the definition of wages stated in the Internal Revenue Code of 1954 for OASDHI purposes.

We realize that increasing the taxable wage base to the levels mentioned above may be difficult at this time, but a start should be made. This is the procedure the states listed above have followed. None of the states are at the $4,200 level yet, but they are above the original $3,000 taxable wage base.

State	Taxable Wage Base
Delaware	$3,600
Pennsylvania	$3,600
Tennessee	$3,300
West Virginia	$3,600

TEXAS EMPLOYMENT COMMISSION

AUSTIN 1, TEXAS

YOUR UNEMPLOYMENT TAX DOLLAR

UNEMPLOYMENT INSURANCE • ECONOMIC STABILIZER •

THE HARDEST WORKING TAX DOLLAR IN YOUR COMMUNITY

IF

every employer could keep all of his workers busy throughout the year . . .

and hire a few new workers every year to take care of the increase in the labor force . . .

most all of our problems would be solved . . .

we wouldn't have to think about unemployment. . .

and you wouldn't be taxed to pay for unemployment insurance . . .

BUT

it doesn't work out that way . . .

demand for your goods or services is never constant . . .

when it goes up, you may need more workers—but let it go down and you have to cut the cost of doing business . . .

so, while you may not like to do it, you have to let some of your workers go . . .

thus creating UNEMPLOYMENT.

WHEN

you are affected by a decline in business, the chances are that other employers feel the pinch too . . .

and they do what you had to do—lay off some of their workers . . .

and that makes matters worse in your community—or, in some cases, a bad situation all over the country . . .

pretty soon you notice that orders from other parts of the country are getting smaller—and the reason may be that unemployment is cutting into the purchase of your products . . .

UNLESS

something can be done to keep up a man's ability to pay for goods and services, business begins to slow down . . .

and demand for the goods and services you have to sell may slacken, too . . .

in recent years up to 5 million workers a year and their families would have had to stop buying many goods and services because of unemployment

they would have—if they didn't have UNEMPLOYMENT INSURANCE.

THEN

unemployment insurance money each week makes all the difference in the world to a man who is out of work . . .

it makes a difference to grocers, landlords and the man who runs the corner shoe repair shop . . .

unemployment insurance fights fear of want in your community—a wage earner knows if slack times come he can still buy the essentials because you have insured him by paying his premium on unemployment insurance . . .

SO

while workers put off buying many things, since unemployment insurance doesn't give them full purchasing power . . .

it helps them stay out of debt for their nondeferrable expenses while they look for work . . .

and when they are back at work they come into the market for new goods right away, instead of waiting to pay off old debts . . .

they start buying things sooner—and that's good for BUSINESS.

AS soon as your unemployment tax dollar is paid out it goes to work . . .

it probably passes through more hands more quickly than any other tax money . . .

it starts out with the business people in a neighborhood—a grocer, a landlord, a druggist . . .

it gets right back into the main stream of the economy and keeps on going . . .

until sooner or later it gets into the hands of someone who is in the market for the goods you make or the service vou offer . . .

it may not come back to you 100 percent, but it certainly has a fast passage through the hands of your fellow businessmen, other wage earners, bankers, first in your community and then in other parts of the country . . .

every time this happens the whole country benefits from your unemployment tax dollar. . . .

USE OF AND ATTITUDE TOWARD THE OHIO BUREAU OF UNEMPLOYMENT COMPENSATION: A RESEARCH REPORT

Glenn W. Miller, Director
Harry H. Rownd, Co-Director
Frederick A. Zeller, Co-Director
Terence E. Wheaton, Research Associate

Final Research Report on Project 1472
Administered through The Research Foundation
The Ohio State University

[1963]

Industrial Commission of Wisconsin
Unemployment Compensation Dept.

July 1963

HOW SELF-EMPLOYMENT

affects unemployment benefits

A new provision of Wisconsin's U.C. Law denies benefits to a self-employed claimant, for any week, unless in that week he made an active and bona fide search for work as an employe.

Here are some questions and answers about the new provision:

1. WHAT IS SELF-EMPLOYMENT?

   A PERSON IS CONSIDERED SELF-EMPLOYED IF HE WORKS FOR HIMSELF (NOT EMPLOYED BY ANOTHER) IN A BUSINESS OR UNDERTAKING WHICH HE HAS ENTERED FOR THE PURPOSE OF PRODUCING A SUBSTANTIAL PART OF HIS INCOME.

2. IF I AM SELF-EMPLOYED IN A WEEK, CAN I DRAW UNEMPLOYMENT BENEFITS?

   ONLY IF YOU CAN SHOW THAT, DURING THAT WEEK, YOU HAVE MADE AN ACTIVE AND BONA FIDE SEARCH FOR WORK.

3. WHAT IS AN ACTIVE AND BONA FIDE SEARCH FOR WORK AS AN EMPLOYE?

   AN ACTIVE AND BONA FIDE SEARCH FOR WORK MEANS THAT YOU MUST PERSONALLY APPLY FOR WORK WITH EMPLOYERS IN YOUR AREA, WHO ORDINARILY HIRE A PERSON WITH YOUR SKILLS OR MIGHT HAVE SOME OTHER JOB YOU COULD DO.

4. WHAT RECORDS SHOULD I KEEP OF MY SEARCH FOR WORK?

   KEEP A COMPLETE RECORD ON THE FORM WHICH WE GIVE YOU, OF EVERY CONTACT YOU MAKE.

UC-O-428 REV.
WIS. 7-63

INDUSTRIAL COMMISSION OF WISCONSIN

JOSEPH C. FAGAN
Chairman

CARL E. LAURI
Commissioner

GENE E. ROWLAND
Commissioner

STEPHEN J. REILLY, *Secretary*

Unemployment Compensation Department
P.O. Box 644—Madison, Wisconsin 53701

Paul A. Raushenbush, *Director*

August 1965

1965–1967 TEXT of WISCONSIN'S UNEMPLOYMENT COMPENSATION LAW

Wisconsin's Unemployment Compensation Law, passed in January 1932, is now Chapter 108 of the statutes.

Contributions have been paid by covered employers since July 1934. Unemployment benefits have been paid to eligible workers since August 1936.

The law now covers about 37,000 employers (of 4 or more persons), and over 980,000 workers.

Through June 1965 the state "unemployment reserve fund" had paid over $617 million in benefits, including over $346 million paid after June 1958,—and had a net balance of $202 million left.

This "1965–1967 TEXT of WISCONSIN'S UNEMPLOYMENT COMPENSATION LAW" includes all amendments through August of 1965 (namely Chapters 10 and 231, Laws of 1965).

52000–10

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UNEMPLOYMENT COMPENSATION

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CHAPTER 108

UNEMPLOYMENT RESERVES AND COMPENSATION

108.01 PUBLIC POLICY DECLARATION. Without intending that this section shall supersede, alter or modify the specific provisions hereinafter contained in this chapter, the public policy of this state is declared as follows:

(1) Unemployment in Wisconsin is recognized as an urgent public problem, gravely affecting the health, morals and welfare of the people of this state. The burdens resulting from irregular employment and reduced annual earnings fall directly on the unemployed worker and his family. The decreased and irregular purchasing power of wage earners in turn vitally affects the livelihood of farmers, merchants and manufacturers, results in a decreased demand for their products, and thus tends partially to paralyze the economic life of the entire state. In good times and in bad times unemployment is a heavy social cost, directly affecting many thousands of wage earners. Each employing unit in Wisconsin should pay at least a part of this social cost, connected with its own irregular operations, by financing compensation for its own unemployed workers. Each employer's contribution rate should vary in accordance with his own unemployment costs, as shown by experience under this chapter. Whether or not a given employing unit can provide steadier work and wages for its own employes, it can reasonably be required to build up a limited reserve for unemployment, out of which benefits shall be paid to its eligible unemployed workers, as a matter of right, based on their respective wages and lengths of service.

(2) The economic burdens resulting from unemployment should not only be shared more fairly, but should also be decreased and prevented as far as possible. A sound system of unemployment reserves, contributions and benefits should induce and reward steady operations by each employer, since he is in a better position than any other agency to share in and to reduce the social costs of his own irregular employment. Employers and employes throughout the state should co-operate, in advisory committees under government supervision, to promote and encourage the steadiest possible employment. A more adequate system of free public employment offices should be provided, at the expense of employers, to place workers more efficiently and to shorten the periods between jobs. Education and retraining of workers during their unemployment should be encouraged. Governmental construction providing emergency relief through work and wages should be stimulated.

(3) A gradual and constructive solution of the unemployment problem along these lines has become an imperative public need.

108.02 DEFINITIONS. As used in this chapter:

(1) **"Benefits"** means the money allowance payable to an employe as compensation for his wage losses due to unemployment as provided in this chapter.

(2) **"Commission"** means the industrial commission.

(3) **Employe.** (a) "Employe" means any individual who is or has been performing services for an employing unit, in an employment, whether or not he is paid directly by such employing unit; except as provided in par. (b). If a contractor performing services for an employing unit is an employe under this subsection and not an employer subject to the contribution provisions of this chapter, a person employed by the contractor in fulfilment of his contract with the employing unit shall be considered the employe of the employing unit.

(b) Paragraph (a) shall not apply to an individual performing services for an employing unit if the employing unit satisfies the commission as to both the following conditions:

1. That such individual has been and will continue to be free from the employing unit's control or direction over the performance of his services both under his contract and in fact; and

2. That such services have been performed in an independently established trade, business or profession in which the individual is customarily engaged.

(c) This subsection shall be used in determining an employing unit's liability under the contribution provisions of this chapter, and shall likewise be used in determining the status of claimants under the benefit provisions of this chapter.

(d) Any individual who is, under this subsection, an "employe" of a given employing unit shall be deemed "employed" by that employing unit for the purposes of this chapter.

(4) **Employer.** (a) "Employer", except where the term by its context may apply to any unit employing one or more individuals, means any person, partnership, association, corporation, whether domestic or foreign, (or legal representative or trustee in bankruptcy or receiver or trustee of a person, partnership, association or corporation, or legal representative of a deceased person), including this state and any city of the first class (but excluding any other political

subdivision) and any frateral benefit society as defined in s. 208.01, who is subject to this chapter under the statutes of 1955, or who has had employment in Wisconsin and becomes subject to this chapter under the provisions of this subsection.

(b) Any other employer who is subject to the federal unemployment tax act for any calendar year shall become an "employer" subject hereto as of the beginning of such calendar year.

(c) Any other employer shall become an "employer" subject hereto in case the wages paid or payable by him for employment occurring in any calendar quarter exceed $10,000 (counting for this purpose not more than $1,000 of such wages per individual employed), as of the beginning of that calendar year in which such quarter occurs.

(d) Any other employer, who has employed as many as 4 individuals in "employment" on each of some 20 days during the taxable year, each day being in a different calendar week, counting the total number of individuals who were employed by him in employment for some portion of the day (whether or not at the same moment of time), effective after December 31, 1955, shall become an "employer" subject hereto as of the start of that calendar year in which such employment occurred. If an employer's records for a given calendar year do not permit accurate determination of his status on the foregoing basis, and the aggregate "wages" paid or payable for "employment" by him equalled or exceeded $6,000 for such year, he shall become an "employer" subject hereto as of the start of such year.

(e) Any other employer, who succeeds to the business of any "employer" hereunder, shall thereby become an "employer" subject to this chapter, as provided in s. 108.16 (8).

(f) Any employer, including any political subdivision of the state, not otherwise subject to this chapter, who files with the commission his written election to become an "employer" subject hereto for not less than 3 calendar years, shall, with the written approval of such election by the commission, become an "employer" fully subject to this chapter, as of the date and under the conditions stated in such ap-

proved election. Any political subdivision may limit its election to one or more of its operating units.

1. The commission may refuse to approve any such election, in the interests of the proper administration of this chapter. Any election approved by the commission shall be void, in case the electing party was himself "employed" in the same enterprise as the individuals to whom such election applied. The commission may at any time by written notice to the employer terminate any election in the interests of proper administration of this chapter.

2. An electing employer may, after 3 such years, terminate his election and thereby cease to be an "employer" subject hereto, despite par. (g), at the close of any week which ends after the month in which he has filed a written notice to that effect with the commission, provided he is not then subject to this chapter under par. (b), (c), (d), or (e).

(g) An employer shall cease to be subject to this chapter only upon commission action terminating his coverage. The commission may terminate an employer's coverage, on its own motion or on application by the employer, by mailing a notice of termination to the employer's last known address. If a termination of coverage is based on an employer's application, it shall be effective as of the close of the calendar month in which the application was filed. Otherwise, it shall be effective as of the close of the calendar month in which the notice of termination is mailed, subject to appeal by the employer under s. 108.10 by the close of the following month. The commission shall terminate an employer's coverage only if the employer would not otherwise be subject under sub. (4) (b), and only if the employer:

1. Has ceased to exist; or

2. Has transferred his entire business to another person or persons; or

3. Has been covered by this chapter throughout each of the 2 most recently completed calendar years, but has, in each such year, had less than 20 weeks (lying wholly within that year) within which he employed 3 or more employes.

(h) The commission shall not terminate an employer's coverage under par. (g) 3, if during any calendar year (or year ending on a computation date) of his coverage his payroll for such year was $20,000 or more or if on any compu-

tation date his employer's account was overdrawn, until 6 years have elapsed since the close of the last such year or since the most recent such computation date (next following a calendar year of some payroll).

(5) Employment. (a) "Employment", subject to the other provisions of this subsection, means any service, including service in interstate commerce, performed by an individual for pay.

(b) The term "employment" shall include an individual's entire service (performed within, or partly within and partly outside, Wisconsin), if such service is "localized" in Wisconsin; and shall also include such service, if it is not "localized" in any state but is performed partly within Wisconsin, and if:

1. The base of operations, or, if there is no base of operations, then the place from which such service is directed or controlled, is in Wisconsin; or

2. The base of operations or place from which such service is directed or controlled is not in any state in which some part of such service is performed, but the individual's residence is in Wisconsin.

(c) An individual's entire service for an employer, whether performed partly within or entirely outside Wisconsin, shall be deemed "employment" subject to this chapter, provided both the following conditions exist:

1. Such service is deemed "employment" covered by this chapter pursuant to a reciprocal arrangement between the commission and each agency administering the unemployment compensation law of a jurisdiction in which part of such service is performed; or no contributions are required with respect to any of such service under any other unemployment compensation law; and

2. The employer so elects with the commission's approval and with written notice to the individual.

(d) An individual's entire service shall be deemed "localized" within a state, if such service is performed entirely within such state, or if such service is performed partly within and partly outside such state but the service performed outside such state is incidental to the individual's services within such state (for example, is temporary or transitory in nature or consists of isolated transactions).

(e) In determining whether an individual's entire services shall be deemed "employment" subject to this chapter, under pars. (b). (c) and (d) the commission may determine and redetermine the individual's status hereunder for such reasonable periods as it deems advisable, and may refund (as paid by mistake) any contributions which have been paid hereunder with respect to services duly covered under any other unemployment compensation law.

(f) The term **"employment"**, as applied to work for a governmental unit, except as such unit duly elects otherwise with the commission's approval, **shall not include:**

1. Employment as an elected or appointed public officer.

2. Employment, of a professional or consulting nature, paid on a per diem or retainer basis.

3. Employment by a govenmental unit on an unemployment work relief project, recognized as such by the commission.

4. Employment, by an educational institution supported wholly or substantially from public funds, of any student enrolled in such institution and carrying at least half its full-time schedule in the most recent school term, or of any person as a teacher in such institution.

5. Employment directly by the state fair during its active duration (including the week before and the week after the fair); or employment by the Wisconsin National Guard directly and solely in connection with its summer training camps or for emergencies; or employment directly by the conservation commission for emergency fire fighting.

6. Employment by a governmental unit in a given week, for the removal of snow or ice or for work connected with floods, of an individual who has worked for such governmental unit in 6 or less of the 52 weeks preceding the given week.

7. Service solely as a school crossing guard.

8. Part-time or occasional service in recreational activities.

9. Past service in a regular annual school-year position (other than teaching) by an individual who still (when claiming benefits) has status therein as a school-year employe.

11. Part-time or occasional service or work by visually handicapped persons performed in the workshop for the blind.

12. Employment by the state legislature except on transfer from another state agency.

(g) The term **"employment"**, except as a given employer elects otherwise with the commission's approval, **shall not include:**

1. Employment in agricultural labor.

2. Domestic service in the employ of an individual in his private home, or domestic service in the employ of a local college club or of a local chapter of a college fraternity or sorority.

3. Employment as a caddy on a golf course.

4. Employment as a newsboy, selling or distributing newspapers or magazines on the street or from house to house.

5. Service performed after June 30, 1939, with respect to which unemployment compensation is payable under the railroad unemployment insurance act (52 Stat. 1094).

6. Any type of maritime service specifically excluded from the coverage of the federal unemployment tax act.

108.02 (5)

7. Service performed in the employ of a religious, charitable, educational, or other organization described in s. 501 (c) (3) of the internal revenue code which is exempt from federal income tax under s. 501 (a) of said code.

8. Service performed by an individual for a person as an insurance agent or as an insurance solicitor, if all such service performed by such individual for such person is performed for remuneration solely by way of commissions.

11. Service as an unpaid officer of a corporation or association.

13. Service covered by any other unemployment compensation law pursuant to a reciprocal arrangement made by the commission under s. 108.14 (8m).

14. Service for an employer who would otherwise be subject to this chapter solely because of sub. (4) (b), if and while the employer, with written notice to and approval by the commission, duly covers, under the unemployment compensation law of another jurisdiction, all services for him which would otherwise be covered under this chapter.

15. Service performed in any calendar quarter in the employ of any organization exempt from federal income tax under s. 501 (a) of the internal revenue code (other than an organization described in s. 401 (a) of said code) or under s. 521 of the internal revenue code, if the remuneration for such service is less than $50.

16. Service performed by an individual in the employ of his son, daughter, or spouse, and service performed by a child under the age of 21 in the employ of his father or mother.

17. Service as an enrollee or other beneficiary of any program under the federal Economic Opportunity Act of 1964 (P. L. 88–452).

(h) If the federal unemployment tax act is so amended after 1944 as to make subject thereto remuneration paid for any employment excluded under par. (g), such exclusion under this chapter shall cease as of the date when said fed-

eral act first applies to such remuneration, except as provided in s. 108.14 (8m) (b).

(6) Wages. "Wages" means every form of remuneration payable for a given period (or paid within such period, if this basis is permitted or prescribed by the commission) to an individual for personal services, including salaries, commissions, vacation pay, dismissal wages, bonuses and the reasonable (actual or estimated average) value of board, rent, housing, lodging, payments in kind, and any other similar advantage received from the individual's employing unit or directly with respect to work for it; but there shall not be treated as "wages" the actual (or reasonably estimated average) amount of any required or necessary expenses incurred by an individual on his job. Tips shall be counted as "wages" solely for benefit purposes.

(7) Average weekly wage. (a) An employe's "average weekly wage" with respect to a given employer and benefit determination means the average weekly amount determined by dividing the employe's number of weeks of employment by such employer, within the period specified by s. 108.06 (1) (a), which have not been used in a previous benefit determination, into the total gross wages paid for such employment.

(b) In lieu of the foregoing standard procedure for determining an employe's average weekly wage, the commission may, on application of an employe or his employer or on its own motion, prescribe reasonable substitute procedure for determining or redetermining the average weekly wage of any employe if it finds, after consulting the employe and the given employer, that application of the standard procedure would be inequitable in such case.

(8) (a) An employer's **"payroll"** for a period shall include all wages paid within that period to the employer's employes for their "employment" by him.

(b) But an employer's "payroll" for any calendar year after 1965 shall not include more than the first $3,600 of wages paid by him during such year to an individual with respect to "employment" (including any employment covered by the unemployment compensation law of any other state).

108.02 (8)

(c) If the federal unemployment tax is amended to apply to a higher amount than the first $3,600 of wages (paid to an individual during a calendar year), then such higher amount shall likewise apply under par. (b), as a substitute for the $3,600 there specified, starting with the same period to which such federal amendment first applies.

(d) If $4,000 or a higher amount is applied pursuant to par. (c), the employer contribution rates (on payroll) determined under s. 108.18 (4) ,(5), (6) and (10) for the first 3 calendar years to which that higher amount applies shall be reduced by one-tenth of one per cent (on payroll), except where an experience rate of zero per cent applies.

(9) "Fund" means the unemployment reserve fund established in s. 108.16.

(10) "Employer's account" means a separate account in the fund, reflecting the employer's experience with respect to contribution credits and benefit charges under this chapter.

(11) "Reserve percentage" shall for contribution purposes refer to the status of an employer's account, as determined by the commission as of the applicable "computation date". In calculating an employer's net reserve as of any computation date, his account shall be charged with benefits paid on or before said date, and shall be credited with contributions, on his payroll through said date, if paid by the close of the month which follows said date or if paid pursuant to s. 108.18 (7) and within the period therein specified. The employer's "reserve percentage" means his account's net reserve as of the computation date, stated as a percentage of his "payroll" in the year ending on such date or in the year applicable under s. 108.18 (6).

(11m) "Computation date" means that date as of the close of which the commission computes reserve percentages and determines contribution rates for the next calendar year. The computation date shall be June 30, starting in 1963.

(12) "Week" means calendar week, starting Sunday and ending Saturday; but, where an employe starts a working shift on a given Saturday, all his hours and pay for that shift shall be counted in the calendar week which includes that Saturday.

(12m) "52 weeks" means 52 consecutive weeks, or 53 consecutive weeks if they include the fifty-third week ending in a calendar year, for the purposes of any determination issued under this chapter as to an employe's base period or benefit year.

(13) An employe's **"weeks of employment"** by an employer means all those weeks within each of which the employe has performed any wage-earning services for the employer in employment subject to this chapter.

(14) "Credit week" means a week of employment (of an employe by an employer) counted in computing benefits under s. 108.06.

(15) Weekly benefit rate. An employe's "weekly benefit rate" from a given employer means the amount determined in accordance with s. 108.05.

(16) Partial unemployment. An employe is "partially unemployed" in any week for which he receives some wages but less than his weekly benefit rate.

(17) Total unemployment. An employe shall be deemed "totally unemployed" in any week for which he receives no wages.

(18) Eligibility. An employe shall be deemed "eligible" for benefits for any given week of his unemployment unless he is disqualified by a specific provision of this chapter from receiving benefits for such week of unemployment, and shall be deemed "ineligible" for any week to which such a disqualification applies.

(19) An employe's **"waiting period"** means any period of time (for which no benefits are payable) required of the employe pursuant to s. 108.04 (3), as a condition precedent to his receipt of benefits.

(20) "Administration fund" means the fund established in s. 108.20.

(21) Undefined Terms. Any word or phrase used in this chapter and not specifically defined herein shall be interpreted in accordance with the common and approved usage thereof and in accordance with other accepted rules of statutory construction. No legislative enactment shall control the meaning or interpretation of any such word or

phrase, unless such enactment specifically refers to this chapter or is specifically referred to in this chapter.

(22) Self-Employment. An individual shall be deemed to be "self-employed" if he is engaged (not in the employ of another) in a business or enterprise which he has undertaken for the purpose of producing a substantial part of his gross income.

(23) Agricultural Labor. "Agricultural labor" means service performed:

(a) On a farm, in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training and management of live stock, bees, poultry, and fur-bearing animals and wildlife.

(b) In the employ of the owner or tenant or other operator of a farm, in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by a hurricane, if the major part of such service is performed on a farm.

(c) In connection with the production or harvesting of maple sirup or maple sugar or any commodity defined as an agricultural commodity in section 15 (g) of the federal agricultural marketing act, as amended, or in connection with the raising or harvesting of mushrooms, or in connection with the hatching of poultry, or in connection with the ginning of cotton, or in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways used exclusively for supplying and storing water for farming purposes.

(d) In handling, planting, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, any agricultural or horticultural commodity; but only if such service is performed as an incident to ordinary farming operations or, in the case of fruits and vegetables, as an incident to the preparation of such fruits or vegetables for market. The provisions of this paragraph shall not be deemed to be applicable with respect to service performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption.

(e) As used in this subsection, the term "farm" includes stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches, nurseries, ranges, greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards.

(24) An employe's **"benefit year"** means the period for which his benefit rights are determined under ss. 108.06 and 108.061.

(25) An employe's **"base period"** means the period, immediately preceding his benefit year, which is used to determine his benefit rights for that year pursuant to ss. 108.06 and 108.061.

108.03 PAYMENT OF BENEFITS. (1) Benefits shall be paid to each unemployed and eligible employe from his employer's account, under the conditions and in the amounts stated in (or approved by the commission pursuant to) this chapter, and at such times, at such places, and in such manner as the commission may from time to time approve or prescribe.

(2) (a) The benefit liability of each employer's account shall begin to accrue under s. 108.06 in the first week completed on or after the first day of that calendar year within which his contributions first began to accrue under this chapter.

(b) Benefits shall become payable from each employer's account beginning with the first week completed 6 months after the first day of that calendar year within which his contributions first began to accrue under this chapter.

(3) When an employer, after due notice of a benefit claim against his account, has conceded liability thereunder or has failed to file the required report thereon or has failed to raise any eligibility issue thereunder, any benefits allowed under any resulting benefit determination shall be promptly paid; and any issue thereafter raised by the employer shall not affect benefits already paid.

108.04 ELIGIBILITY FOR BENEFITS.

(1) AVAILABILITY FOR WORK. (a) An employe shall be ineligible for benefits for any week in which he is with due notice called on by his current employing unit to report for work actually available within such week and is unavailable for work or physically unable to do his work.

(b) An employe shall be ineligible for benefits from an employer's account:

1. While he is physically unable to work, or substantially unavailable for work, if his employment with such employer was suspended by the employe or by the employer or was terminated by such employer because the employe was physically unable to do, or unavailable for, his work; or

2. While he is on a voluntary leave of absence granted for a definite period, until such period has ended or until the employe has returned to work, whichever occurs first.

108.04 (1)

(c) A pregnant woman shall be deemed unavailable for work and ineligible for benefits for the period which begins 10 weeks before the week which includes the expected date of childbirth and which ends 4 weeks after the week which includes the date of childbirth. The commission may require any such claimant to submit a doctor's certificate to establish such dates.

(d) 1. A woman whose eligibility is suspended under par. (c) shall continue to be ineligible, after the 4 weeks specified in par. (c), until the week in which she has notified her most recent employer that she is physically able to work and available for work.

2. Thereafter, until she has had 30 hours of employment in a week, she shall not be eligible for benefits for any week unless she establishes to the satisfaction of the commission that during such week she has made an active and bona fide search for employment.

(e) An individual who is **self-employed** shall not be eligible for benefits for any week in which he has worked at his self-employment, unless he establishes to the satisfaction of the commission that during such week he made an active and bona fide search for employment.

(f) If an employe is required by law to have a **license**, issued by a governmental agency, to perform his customary work for an employer, the employe shall not be eligible for benefits from the employer's account where the employe's employment was suspended or terminated because his license has been suspended, revoked or not renewed due to his own fault, until he has a valid license to perform such work.

(g) In case an individual claims benefits based on his employment by a corporation, if he and the members of his immediate **family** together own 51 per cent or more of its voting stock, or if he and his spouse together own 20 per cent or more of its voting stock and one of them was during such employment an officer or director of the corporation, then:

1. The corporate employer shall so inform the commission on its reports (as to such individual) for benefit purposes; and

2. The individual shall so report, when claiming benefits; and

3. The individual shall not be eligible for benefits based on such employment for any week of his unemployment, unless he establishes to the satisfaction of the commission that during such week he made an active and bona fide search for employment.

(2) REGISTRATION FOR WORK. (a) An employe shall be deemed eligible, for waiting period or benefit purposes, as to any given week for which he receives no wages, only if he has within such week registered for work in such manner as may then be prescribed by commission rules; provided that, if the commission finds that there are conditions under which an employe cannot reasonably be required to comply with the foregoing registration requirement, the commission may by general rule waive this requirement under such stated conditions. Each employer shall inform his employes of the foregoing registration requirement, in such reasonable manner as the commission may from time to time prescribe.

(b) Any claimant, thus registered, may also be required at any time to make such other efforts to secure work as the commission may reasonably direct under the circumstances, and to supply proper evidence thereof; and shall, if he fails without good cause to do so, be ineligible for each week such failure continues.

(c) A claimant who earns or receives wages for one or more weeks of unemployment may be required, pursuant to commission rules, to register and be available for work in order to be or remain eligible for benefits for any such week.

(3) WAITING PERIOD. The first week of an employe's benefit year shall be his "waiting period" for that year.

108.04 (4)

(4) QUALIFYING CONDITIONS. (a) An employe shall not be eligible to start a benefit year with any given week of unemployment unless he has had a total of 18 or more "weeks of employment" from one or more employers within the 52 weeks preceding that week or within those 52 weeks plus the number of any weeks over 7 (occurring within those 52 weeks) for which he received dismissal or termination pay, or temporary total disability payments under ch. 102.

(af) There shall be counted toward the "weeks of employment" required by par. (a) any federal service, within the relevant period, which is assigned to Wisconsin under an agreement pursuant to title XV of the social security act.

(al) Paragraph (a) shall not disqualify an employe who has had 14 or more but less than 18 weeks of employment, within the 52 weeks specified by par. (a), if he has totaled 55 or more weeks of employment, including weeks under par. (af), within those 52 weeks plus any base period which ended not more than 10 weeks before the start of those 52 weeks.

(b) An employe shall be ineligible for benefits, based on his past employment by a given employer, while his applicable "average weekly wage" as to such employer is under $16, unless s. 108.07 (2) is applied to that employment.

(c) An employe shall not be eligible to receive benefits from the account of an employer who is engaged in the canning of fresh perishable fruits or vegetables, based on his weeks of employment by such employer ending within a given calendar year, if during such year he has been employed by such employer within fewer than 18 weeks and solely within the active canning season or seasons (as determined by the commission) of the establishment in which he has been employed by such employer, unless he had earned wages (for services performed for one or more other covered employers, and submits adequate evidence of such wages) of $200 or more during the 52 weeks preceding his

first week of employment by such canning employer ending within such year.

(e) In no case shall any employe employed by any bowling alley as a **pin boy** be eligible to receive any benefits, based on such employment, for unemployment during May, June, July, or August.

(f) If a **student,** while he is regularly attending an educational institution and carrying at least a half-time schedule, is employed in a given week, it shall not be counted as a credit week for benefit purposes if in such week he has worked for the given employer:

1. Not more than 24 hours; or

2. As a formal and accredited part of the regular curriculum of his school; or

3. Solely within the customary vacation days or periods of his school.

(g) Similarly, if an individual who was such a student throughout his school's most recently completed term works for an employer within the ensuing vacation weeks, such weeks shall not be counted as credit weeks for benefit purposes, unless the student had graduated from his school.

(5) DISCHARGE FOR MISCONDUCT. An employe's eligibility, for benefits based on those credit weeks then accrued with respect to an employing unit, shall be barred for any week of unemployment completed after he has been discharged by the employing unit for misconduct connected with his employment; provided, moreover, that such employe shall be deemed ineligible for benefits (from other previous employer accounts) for the week in which such discharge occurred and for the 3 next following weeks.

(6) DISCIPLINARY SUSPENSION. As to an employe's weeks of unemployment by reason of a disciplinary suspension by a given employer, the employe shall be ineligible for benefits as follows:

(a) If the suspension was for misconduct connected with his employment, he shall be ineligible from the given employer's account for each such week and ineligible from other previous employer accounts for the first 3 such weeks.

108.04 (6)

(b) If the suspension was for other good cause connected with his employment, he shall be ineligible for the first 3 such weeks.

(7) VOLUNTARY TERMINATION OF EMPLOYMENT. (a) If an employe terminates his employment with an employing unit, he shall be ineligible for any benefits based on such employment, and ineligible for benefits based on other previous employment for the week of termination and the 4 next following weeks, except as hereinafter provided.

(b) Paragraph (a) shall not apply if the commission determines that the employe terminated his employment with good cause attributable to the employing unit.

(c) Paragraph (a) shall not apply if the commission determines that the employe terminated his employment because he was physically unable to do his work or because the health of a member of his immediate family left him no reasonable alternative; provided that if the commission determines that he is physically unable to work or substantially unavailable for work, he shall be ineligible while such inability or unavailability continues.

(d) Paragraph (a) shall not apply if the commission determines that the employe terminated his employment to take another job; provided, that he shall be ineligible, for benefits based on the employment terminated, until he has been employed within at least 7 subsequent weeks.

(f) Paragraph (a) shall not apply if the commission determines that the employe terminated his employment because he was transferred by his employing unit to work paying less than two-thirds of his immediately preceding wage rate with the employing unit; provided that he shall be ineligible for benefits for the week of termination and the 4 next following weeks.

(8) SUITABLE WORK. (a) If an employe fails either to apply for work when notified by a public employment office or to accept work when offered to him, and such failure was without good cause as determined by the commission, he

shall be ineligible for the week in which such failure occurs and thereafter until he has again been employed within at least 4 weeks and has earned wages equalling at least 4 times his weekly benefit rate.

(af) If an employe fails to return to work with a former employer who has duly recalled him, and such failure was without good cause as determined by the commission, he shall be ineligible for benefits from that employer's account for the week in which such failure occurs and thereafter until he has again been employed within at least 4 weeks and has earned wages equalling at least 4 times his weekly benefit rate.

(b) If the commission determines that such a failure has occurred with good cause, but that the employe is physically unable to work or substantially unavailable for work, he shall be ineligible for the week in which such failure occurred and while such inability or unavailability continues.

(c) When a claimant accepts work which he could have refused with good cause, and then terminates such employment with the same good cause and within the first 10 weeks after starting work, his eligibility for benefits based on other previous employment shall not be suspended, under sub. (7), by reason of such termination.

(d) A claimant shall be deemed to have good cause under par. (a) if the commission determines that his failure related to work at a lower grade of skill or significantly lower rate of pay than applied to him on one or more recent jobs, and that he had not yet had a reasonable opportunity (in view of labor market conditions and his degree of skill, but not to exceed 6 weeks after he became unemployed) to seek a new job substantially in line with his job skill and prior rate of pay.

108.04 (9)

(9) PROTECTION OF LABOR STANDARDS. Benefits shall not be denied under this chapter to any otherwise eligible individual for refusing to accept new work under any of the following conditions:

(a) If the position offered is vacant due directly to a strike, lockout, or other labor dispute.

(b) If the wages, hours or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality.

(c) If as a condition of being employed the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization.

(10) LABOR DISPUTE. An employe who has left (or partially or totally lost) his employment with an employing unit because of a strike or other bona fide labor dispute shall not be eligible for benefits from such (or any previous) employer's account for any week in which such strike or other bona fide labor dispute is in active progress in the establishment in which he is or was employed.

(10m) If the active progress of such a strike or other bona fide labor dispute ends on a Sunday, it shall not be deemed under sub. (10) to be in active progress in the calendar week beginning on that Sunday as to any employe who did not normally work on Sundays in such establishment.

(11) FRAUDULENT CLAIMS. In addition to any other provision, including penalties, which may apply under this chapter:

(a) If a claimant, in filing his claim for any week, conceals any part of his wages earned in or paid or payable for that week, or conceals his refusal (within that week) of a job offer or any other material fact relating to his eligibility for benefits, so much of any benefit payment as was paid because of such concealment shall be recovered as an overpayment.

(b) Any such claimant may also, by a determination issued under s. 108.09, be required, as to each such act of concealment, to forfeit such benefits as would otherwise become payable to him for not more than 3 weeks of compensable unemployment completed not later than 2 years following the date of such determination. The benefits thus forfeited by a claimant shall be duly charged against his benefit credits and against the proper employer's account and shall be credited to the fund's balancing account.

(12) PREVENTION OF DUPLICATE PAYMENTS. (a) Any individual who is entitled to federal readjustment allowances under the servicemen's readjustment act of 1944 may nevertheless claim benefits based on his available credit weeks under this chapter, and may receive such benefits if otherwise eligible; but any individual who receives a federal readjustment allowance for a given week shall be ineligible for benefits paid or payable for that same week under this chapter.

(b) Similarly, any individual who receives, through the commission, any other type of unemployment benefit or allowance for a given week shall be ineligible for benefits paid or payable for that same week under this chapter.

(c) Any individual who receives unemployment compensation for a given week under any federal law through any federal agency shall be ineligible for benefits paid or payable for that same week under this chapter.

(d) Any individual who receives unemployment compensation for a given week under the law of any other state (with no use of benefit credits earned under this chapter) shall be ineligible for benefits paid or payable for that same week under this chapter.

(e) Any individual who receives a temporary total disability payment under ch. 102 for a given week shall be ineligible for benefits paid or payable for that same week under this chapter.

108.04 (12)

(f) The provisions of this subsection, denying an individual's eligibility for benefits under this chapter as to any week for which he receives any type of benefit or allowance (or supplementary payment) for unemployment under any federal law, shall not prevent benefits under this chapter from being paid to an otherwise eligible individual who may later be (but has not yet been) held to have been "adversely affected" and therefore eligible for a "trade readjustment allowance" under the federal Trade Expansion Act of 1962 (P.L. 87–794). As to any such individual, and any week for which such benefits have been paid to him and for which such a federal allowance later becomes payable to him, those benefits, if federally reimbursed to the commission and the fund, shall be treated as a (partial) federal allowance payment to him for such week, and the commission may, pursuant to an agreement under said act, pay him any additional federal allowance due him for such week. In any such case, the individual's benefit credits under this chapter shall be restored accordingly, and the relevant amount of federal reimbursement shall be credited by the commission to the proper employer's account in the fund.

(13) NOTIFICATION AS TO INELIGIBILITY. (a) The commission may take administrative notice of any fact indicating an employe's ineligibility, whether or not the employing unit has reported such fact or asserted the employe's ineligibility under this chapter.

(b) Unless an employer has duly notified the commission (in such manner and within such time limit as the commission's rules and regulations may prescribe) that he believes a designated provision of this section or of the "employment" definition of s. 108.02 should operate to deny benefits from his account to the given employe for the week or weeks in question, or unless the commission applies the provisions of par. (a), no provision of this section or of such definition shall operate to deny such benefits to such employe; provided, however, that this subsection shall not affect the application of subs. (2), (3), (4) (a) and (b), (8) and (11), even though the commission has not been thus notified; and provided, further, that said sub. (2) shall not

apply to a case for which the employer in question expressly waives its application by written notice to and with the approval of the commission.

(c) In case an employer, after a request therefor has been duly mailed to him, fails to file the required report on the eligibility, weekly benefit rate and credit weeks of an employe who has claimed benefits from the employer's account, or if such report is received more than 7 days after such mailing:

1. The commission may determine and proceed to pay the benefits thus claimed, based on the claimant's statements.

2. If benefits are thus determined, the employer shall be liable for a tardy filing fee of $5, to be paid to the commission and credited to the administration fund, except where the employer later files the required report and satisfies the commission that it was tardy because of circumstances beyond his control.

(d) As to any benefits paid from one employer's account by reason of another employer's failure to file duly a report requested from him by the commission, the first week's benefits thus paid shall not be recovered from the employe but shall be credited to the one employer's account and charged to the other employer's account.

(e) Whenever an individual claims benefits based on his employment by a government unit, it shall, if it believes that sub. (15) as to retirement payments may apply, so notify the commission. In any such case the Wisconsin retirement fund and the state teachers retirement system shall, on request from the commission, report to it the relevant facts, and the commission shall apply sub. (15) accordingly.

(14) If the commission finds that the official war-time manpower policies of the United States are or may be materially hampered, in any clearly definable class of cases, by any application of subs. (7) or (8), so as to interfere with the effective war-time use of civilian manpower in Wisconsin, the commission may by general rule, after public hearing, modify or suspend such application accordingly.

108.04 (15)

(15) RETIREMENT PAYMENTS. If an employe claims benefits based on his past work for a covered employer, but such employer duly notifies the commission pursuant to sub. (13), and the commission determines, that the employe is receiving or has claimed and will receive, or has been retired at such employer's compulsory retirement age and could claim and receive, retirement payments, as to any week covered by his benefit claim, under a group retirement system to whose financing any employing unit has substantially contributed or under a government retirement (or old-age insurance) system or under both, then the benefits thus claimed:

(a) Shall be denied for any such week, from the account of such employer, if the employe left his employment with that employer to retire before he reached the compulsory retirement age used by that employer.

(b) Shall not be denied for any such week, from the account of such employer, if the employe is otherwise eligible and left or lost his employment with that (or any other) employing unit because he had reached the compulsory retirement age used by the employing unit in question.

(c) Shall, if payable, be determined for any such week by treating as if it were wages:

(1) That amount of the employe's weekly rate of retirement payments which has been financed by his employer or others (and not by the employe's own contributions), under any retirement system where such amount is separately calculated or can be estimated with reasonable accuracy, provided acceptable evidence as to such amount is furnished the commission.

(2) All but $5 of the employe's weekly rate of retirement payments under one or more other retirement systems.

108.05 AMOUNT OF BENEFITS.

(1) WEEKLY BENEFIT RATE, FOR TOTAL UNEMPLOYMENT. Each eligible employe shall be paid benefits from his employer's account for each week of his total unemployment at the weekly benefit rate, based on the employe's "average weekly wage" from the given employer, shown by the following schedule:

SCHEDULE

Line	Average Weekly Wage Class	Weekly Benefit Rate	Line	Average Weekly Wage Class	Weekly Benefit Rate
1.	Under $ 16.00	$ None	26.	$ 68.01 to $ 70.00	$35
2.	$ 16.00 to 19.00	11	27.	70.01 to 72.00	36
3.	19.01 to 22.00	12	28.	72.01 to 74.00	37
4.	22.01 to 24.50	13	29.	74.01 to 76.00	38
5.	24.51 to 27.00	14	30.	76.01 to 78.00	39
6.	27.01 to 29.50	15	31.	78.01 to 80.00	40
7.	29.51 to 32.00	16	32.	80.01 to 82.00	41
8.	32.01 to 34.00	17	33.	82.01 to 84.00	42
9.	34.01 to 36.00	18	34.	84.01 to 86.00	43
10.	36.01 to 38.00	19	35.	86.01 to 88.00	44
11.	38.01 to 40.00	20	36.	88.01 to 90.00	45
12.	40.01 to 42.00	21	37.	90.01 to 92.00	46
13.	42.01 to 44.00	22	38.	92.01 to 94.00	47
14.	44.01 to 46.00	23	39.	94.01 to 96.00	48
15.	46.01 to 48.00	24	40.	96.01 to 98.00	49
16.	48.01 to 50.00	25	41.	98.01 to 100.00	50
17.	50.01 to 52.00	26	42.	100.01 to 102.00	51
18.	52.01 to 54.00	27	43.	102.01 to 104.00	52
19.	54.01 to 56.00	28	44.	104.01 to 106.00	53
20.	56.01 to 58.00	29	45.	106.01 to 108.00	54
21.	58.01 to 60.00	30	46.	108.01 to 110.00	55
22.	60.01 to 62.00	31	47.	110.01 or more	56
23.	62.01 to 64.00	32			
24.	64.01 to 66.00	33			
25.	66.01 to 68.00	34			

Note: The maximum weekly benefit rate under this schedule is adjusted semiannually, pursuant to s. 108.05 (2). The schedule printed above applies to benefit determinations issued in the period starting July 5, 1965 and ending December 31, 1965.

108.05 (1m)

(1m) FINAL PAYMENTS IN CERTAIN CASES. Whenever an employe's benefit credits under a given determination are nearly exhausted, so that paying the benefits normally due him for a given week of unemployment would reduce such credits below his applicable weekly benefit rate, his actual benefits for such week shall equal all benefit credits remaining under said determination.

(2) SEMIANNUAL ADJUSTMENT OF MAXIMUM BENEFIT RATE. (a) This chapter's maximum weekly benefit rate, as to benefit determinations whose first benefit check is issued in a given half year (starting January 1 or July 1), shall be based on the "average wages per average week" of the preceding "base year" (ended 6 months before the starting date of the given half year) pursuant to this subsection.

(b) The commission shall determine semiannually, by December 1 and by June 1, for the last completed "base year" (ended June 30 or December 31), from reports to the commission (including corrections thereof) filed within 3 months after the close of that year by employers (except government units) covered by this chapter as to their employes in employment covered by this chapter:

1. The gross wages thus reported by all such employers as paid in that year for such employment; and

2. The average of the 12 mid-month totals of all such employes in employment thus reported for that year; and

3. The quotient obtained by dividing said gross wages by said average; and

4. The amount (herein called "average wages per average week") obtained by dividing said quotient by 52.

(c) Based on the amount of "average wages per average week" thus determined, this chapter's maximum weekly benefit rate, as to benefit determinations whose first benefit check is issued in the ensuing half year (starting January 1 or July 1), shall equal the result obtained by rounding 52.5 per cent of said "average wages per average week" to the nearest multiple of one dollar.

(d) Whenever said result is higher or lower than the current half year's maximum weekly benefit rate, under the schedule which currently applies under this section, the commission shall change the closing lines of that schedule, for benefit determinations whose first benefit check is issued in the next half year, so that each such line will show an "average weekly wage class" two dollars higher and a "weekly benefit rate" one dollar higher than the preceding line, except that the new last line, showing the new maximum weekly benefit rate determined under par. (c), shall specify that "average weekly wage class" which ranges upward without limit and starts one cent above the higher wage figure of the next preceding line.

(e) The commission shall promptly record in its minutes, and shall have officially published within 10 days, the "average wages per average week" and the corresponding maximum weekly benefit rate thus determined by it, and the resulting schedule of average weekly wage classes and weekly benefit rates, which shall then apply to all benefit determinations whose first benefit check is issued in the ensuing half year.

(f) The commission shall certify such schedule to the revisor of statutes, who shall when publishing the statutes include the latest such schedule then available.

(g) Whenever the result obtained under par. (c) is $1 or more higher (or lower) than the current half year's maximum weekly benefit rate, then the weekly benefit rate of any outstanding benefit determination whose weekly benefit rate in the current half year is at the maximum of that current half year shall be increased (or lowered) by $1 as to any checks issued thereunder after that current half year.

(h) Whenever January 1 or July 1 does not fall on Saturday, Sunday or Monday, any change in weekly benefit rates under this subsection shall apply to checks issued after the first Sunday thereafter.

(3) BENEFITS FOR PARTIAL UNEMPLOYMENT. (a) If an eligible employe's total wages for a given week are less than his applicable weekly benefit rate, but are at least

one-half of said rate, he shall be paid one-half of his weekly benefit rate for such week.

(b) If an eligible employe's total wages for a given week are less than one-half of his applicable weekly benefit rate, he shall be paid his full weekly benefit rate for such week.

(4) HOLIDAY OR VACATION PAY. (a) An employe's holiday pay for a given week shall, for benefit purposes, be treated as wages for that week only if it has become definitely payable to the employe within 4 days after the close of that week.

(b) An employe's vacation pay shall, for benefit purposes, be treated as wages for a given week only if it has by the close of that week become definitely allocated and payable to the employe for that week and he has had due notice thereof, and only if such pay (until fully assigned) is allocated:

1. At not less than the employe's approximate full weekly wage rate; or

2. Pursuant to any other reasonable basis of allocation, including any basis commonly used in computing the vacation rights of employes.

(5) DISMISSAL PAY. An employe's dismissal or termination pay shall, for benefit purposes, be treated as wages for a given week only if it has by the close of that week become definitely allocated and payable to the employe for that week, and he has had due notice thereof, and only if such pay (until fully assigned) is allocated:

(a) At not less than the employe's approximate full weekly wage rate; or

(b) Pursuant to any other reasonable basis of allocation, including any basis commonly used in computing the termination pay of employes.

(6) BACK PAY. A payment to an individual by an employing unit, which is in the nature of back pay (or in lieu of pay for personal services) for certain past weeks, whether made under a back-pay award or similar decision or otherwise, shall be wages for benefit purposes but only when paid within 104 weeks after the start of the earliest such week.

108.06 BENEFIT LIABILITY OF EMPLOYER'S ACCOUNT.

(1) BENEFIT CREDIT WEEKS. (a) Except as this section or s. 108.04 provides otherwise, there shall be counted as a credit week for benefit purposes each week of employment, of a given employe by a given employer, which is or has been completed:

1. After the benefit liability of the employer's account has begun to accrue; and

2. Within the employe's base period, for the benefit year in question, determined pursuant to s. 108.061.

(b) In case an employe has had more than 45 weeks of employment by an employer within the period specified in par. (a) 2, only 45 of such weeks shall be counted and available as "credit weeks" with respect to such employer under any one benefit determination.

(2) DURATION OF BENEFITS, BASED ON CREDIT WEEKS. (a) Each benefit determination issued under s. 108.09 shall allow benefits to an employe, if otherwise eligible, based on the number of his credit weeks then available with respect to an employer.

(c) Each such credit week shall, in determining the employe's total benefit credits, be valued at eight-tenths of his weekly benefit rate as to that employer.

(d) The total benefit credits thus resulting under any benefit determination, based on its credit weeks and weekly benefit rate, shall be adjusted to the nearest multiple of one-half of said weekly benefit rate.

(e) No such determination shall allow benefits totaling more than 34 times its weekly benefit rate.

(2m) MAXIMUM DURATION OF BENEFITS. If the credit weeks available in an employe's base period would permit two or more benefit determinations allowing him a total of more than 34 weeks of benefits for total unemploy-

ment in his benefit year, such total shall be reduced to 34 weeks of such benefits by eliminating the last benefit credits available to be charged.

(3) DURATION OF LIABILITY. (a) In no case shall the fund remain or be liable to pay benefits to an employe, based on credit weeks in his base period, for any week of unemployment occurring after the close of the employe's ensuing benefit year, determined pursuant to s. 108.061.

(b) Once a determination has been made under s. 108.09 as to the amount of benefits potentially payable to an employe based on his available credit weeks with respect to a given employer, all benefits thereafter payable to the employe based on credit weeks from that employer shall be paid in accordance with that determination, until it ceases to apply.

Note: Under the above provisions, benefit weeks are figured from one employer at a time, based on the number of work-weeks available from that one employer, as follows:

Work weeks	Benefit weeks	Work weeks	Benefit weeks	Work weeks	Benefit weeks
1	1	16	13	31	25
2	1½	17	13½	32	25½
3	2½	18	14½	33	26½
4	3	19	15	34	27
5	4	20	16	35	28
6	5	21	17	36	29
7	5½	22	17½	37	29½
8	6½	23	18½	38	30½
9	7	24	19	39	31
10	8	25	20	40	32
11	9	26	21	41	33
12	9½	27	21½	42	33½
13	10½	28	22½	43 or more	34
14	11	29	23		
15	12	30	24		

(c) A given determination shall cease to apply only when all benefit credits available thereunder have been charged or canceled, or as to unemployment occuring after the close of the benefit year to which such determination applies.

(d) Credit weeks included in a given benefit determination shall not be available for use in any subsequent benefit determination.

(e) To determine qualifying employment under s. 108.04 (4) (a), and any other subsequently determined benefit rights, the commission shall count all weeks of employment covered by an employer's report and all credit weeks included in any benefit determination as if they had all occurred consecutively during the most recent part of the period covered by the given report or determination.

108.061 BASE PERIOD AND BENEFIT YEAR.

(1) There shall be payable to an employe, for weeks ending within his benefit year, only those benefits determined for that benefit year based on his credit weeks in his immediately preceding base period.

(2) Except as this section provides otherwise, an employe's "base period" shall be the 52 weeks which immediately precede a "valid new claim week", and his "benefit year" shall be the 52 weeks which begin with a "valid new claim week".

(3) An employe shall have a "valid new claim week" (starting a new benefit year) if all the following conditions are met:

(a) The week is not within an unexpired benefit year.

(b) He is totally or partially unemployed in that week, and has claimed as to that week pursuant to s. 108.08 (1).

(c) He has registered for work pursuant to s. 108.04 (2), if it applies to that week.

(d) As of the start of that week, he has qualifying employment pursuant to s. 108.04 (4) (a), (af), (al) and (b).

(e) As of the start of that week, he has some uncancelled and uncharged credit weeks in the preceding 52 weeks, or in any longer base period which would apply under sub. (4).

(f) He is otherwise eligible as to that week.

(4) If an employe receives dismissal or termination pay, or temporary total disability payments under ch. 102:

(a) For more than 7 of the 52 weeks preceding a valid new claim week, his base period shall be lengthened by the number of weeks over 7 (occurring within those 52 weeks) for which he received such payments.

(b) For more than 17 of the 52 weeks of a benefit year, that benefit year shall be lengthened by the number of weeks over 17 (occurring within those 52 weeks) for which he received such payments.

108.07 LIABILITY OF SEVERAL EMPLOYERS.

(1) (a) In case an employe is unemployed and eligible as to 2 or more employers in the same week, and has claimed benefits, he shall, for the purposes of this subsection and s. 108.04 (13), be deemed to have claimed benefits from the account of each such employer; but his benefits for such unemployment in such week shall be paid only from the account of that one of such employers by whom he was most recently employed within his base period, except as provided in this section.

(b) After an employe has become eligible for a benefit check under a given benefit determination, he shall, while it remains valid under s. 108.06 (3), be eligible for benefits solely under that determination, except while it is suspended under s. 108.04.

(2) In case an employe has usually performed services in the same week for 2 or more employers, under an arrangement between such employers, the commission may combine his wages and his employment from such employers to determine his benefit rights under s. 108.05 and 108.06 as if such wages and employment had been from a single employer, and may pay benefits accordingly, and may prorate the resulting benefit charges between the accounts of such employers, by such methods as it deems fair and reasonable. The commission may temporarily charge such benefit payments to the fund's balancing account, pending their pro rata allocation to the accounts of such employers.

(3) In case an employe, to whom no benefit determination then applies, becomes unemployed and eligible as to 2 or more employers, the commission may, if it finds that applying sub. (1) (a) would be grossly inequitable to the employe, determine and use first his most fairly representative benefit rights.

(4) Once a benefit determination has been issued to an employe based on his work for a former employer, benefit payments and charges thereunder shall not be affected by any later determination that a subsequent employing unit was also a covered employer.

108.08 NOTIFICATION. (1) To receive benefits for any given week of his unemployment an employe shall give notice to the commission with respect to such week of unemployment, through a public employment office, within such time limit and in such manner as the commission may by rule prescribe.

(2) The commission may require from any or each employer notification of the partial or total unemployment of his employes, within such time, in such form, and in accordance with such rules as the commission may prescribe.

108.09 SETTLEMENT OF BENEFIT CLAIMS

(1) FILING. Claims for benefits shall be filed pursuant to general commission rules, either at the public employ-

ment office for the district or as the commission's rules may otherwise direct; provided that the commission may waive the filing of a claim directly by the employe himself, for benefits from a given employer's account, where due notice of the employe's unemployment is given the employer by the commission or is given the commission by the employer, which notice shall in either of such cases serve as a claim for benefits. The employer from whose account benefits are claimed (whether directly by the employe or through the commission) shall promptly inform the commission in writing of his acceptance or rejection of such claim, together with his reasons therefor.

(2) INITIAL DETERMINATION. A deputy designated by the commission shall promptly determine whether or not the claim is valid and the amount of benefits apparently payable thereunder, and shall also determine whenever necessary whether or not the employe's eligibility for benefits has been suspended or terminated; provided however, that the deputy may set aside or amend a determination at any time on the basis of subsequent information or to correct a clerical mistake. A copy of each determination shall be mailed to the last known address of each of the parties. Either party to the determination may request a hearing as to any matter therein, by filing such request within 10 days after such mailing and in accordance with procedure prescribed by the commission; except that the employer may not request a hearing with respect to benefits already paid in accordance with his concession of liability.

(2m) In any case in which an employe has filed a claim for benefits from an employer's account, the employe's statement may be taken as to his eligibility, weekly benefit rate, and credit weeks. In any such case a commission deputy may issue a determination as to the employe's benefit rights, based on the employe's statement and on any other information then available. In accordance with sub. (2), such determination shall be mailed to the last known address of

each of the parties, and either party to the determination may request a hearing as to any matter therein, by filing such request within 10 days after such mailing and in accordance with procedure prescribed by the commission; but the employer's request shall be valid only if his report (as to the eligibility, weekly benefit rate, and credit weeks of the employe) is included in (or, if filed earlier, incorporated by specific reference in) such request.

(2r) The employe's copy of any benefit determination may be given to him, instead of being mailed to him; and he may in that event request a hearing as to any matter therein by duly filing such request within 10 days after such delivery.

(3) APPEALS. Unless such request for a hearing is withdrawn, each of the parties shall be afforded reasonable opportunity to be heard, and the claim thus disputed shall be promptly decided by such appeal tribunal as the commission may designate or establish for this purpose, or by the commission as provided in sub. (6). If the party requesting a hearing fails to appear at the hearing, a commission examiner designated for this purpose may dismiss the appeal, provided that due notice of the hearing was mailed to the party's last known address and good cause for his failure to appear has not been shown said examiner within 10 days after the hearing date. If the other party fails to appear at the hearing, the appeal tribunal shall proceed with the hearing, provided that due notice of the hearing was mailed to said party's last known address, and may issue its decision without further hearing, provided that good cause for his failure to appear has not been shown said examiner within 10 days after the hearing date.

(3m) REPORTS BY EXPERTS. The contents of verified or certified reports by qualified experts shall be received in evidence in any proceeding under this section in the same manner and subject to the same conditions as would apply to such reports under s. 102.17 (1) (as).

(4) APPEAL TRIBUNALS. To hear and decide a disputed claim, the commission shall establish an appeal tribunal. Any such tribunal may consist of 1 or 3 full-time

salaried examiners; or it may consist of an appeal board composed of 1 full-time salaried examiner who shall serve as chairman, and of 2 other members appointed by the commission, namely an employer or representative of employers and an employe or representative of employes, who shall each be paid a fee of not more than $10 per day of active service on such tribunal (plus necessary expenses). No person shall hear any case in which he is a directly interested party. The chairman of such an appeal board shall act for it at any session in the absence of one or both other members, provided they have had due notice of such session.

(5) PROCEDURE. (a) The manner in which claims shall be presented, the reports thereon required from the employe and from employers, and the conduct of hearings and appeals shall be governed by general commission rules (whether or not they conform to common law or statutory rules of evidence and other technical rules of procedure) for determining the rights of the parties.

(b) All testimony at any hearing under this section shall be taken down by a stenographer, or by a recording machine, but need not be transcribed unless either of the parties requests a transcript prior to expiration of his right to further appeal hereunder and pays to the commission in advance a fee of $5 therefor, plus 25 cents for each page by which the transcript exceeds 20 pages. When a transcript is thus furnished one of the parties at his request, a copy of the transcript shall be furnished the other party free of charge. The transcript fee thus collected shall be paid to the administration fund.

(6) COMMISSION REVIEW. (a) At any time before a deputy's determination or an appeal tribunal's decision on a claim is mailed to the parties, the commission may transfer the proceedings on the claim from such deputy or appeal tribunal to itself.

(b) Either party may petition the commission for review of an appeal tribunal decision, pursuant to general commission rules, within 10 days after it was mailed to his last known address. Promptly after the filing of such a peti-

tion, the commission may either dismiss it as not timely at any level or may affirm, reverse, change, or set aside such decision, on the basis of the evidence previously submitted in such case, or direct the taking of additional testimony.

(c) Within 10 days after expiration of the right of the parties to request a hearing by an appeal tribunal or to petition for review by the commission, or within 30 days after a decision of the commission was mailed to the parties, the commission may on its own motion reverse, change, or set aside the determination or decision, on the basis of evidence previously submitted in such case, or direct the taking of additional testimony.

(d) After an employe's eligibility for benefits has been established by a commission decision or affirmance of the appeal tribunal decision, benefits then due the employe shall be payable to him on the eleventh day after such commission decision or affirmance, unless the commission finds, by resolution duly entered in its minutes, that the case involves an issue of precedenting importance or a labor dispute issue or the actual or potential eligibility of a substantial number or percentage of the employer's employes, in which event such benefits shall become payable only if judicial review has not been duly commenced under sub. (7) or has finally allowed benefits. In case final adjudication determines that benefits paid under this subsection were improperly charged against the employer's account, s. 108.16 (2m) shall apply to the charging and recovery of such payments.

(e) Where benefits are not paid to an employe on the eleventh day specified by par. (d), but are subsequently determined to be payable, they shall be calculated as of that eleventh day.

(6m) MAILED APPEALS. If an appeal under sub. (2) or (2m) or (2r) or (6) (b) is received after the 10 days time limit therein specified, the commission shall nevertheless, if such appeal is mailed and postmarked within the time limit, accept it as timely as to any benefit checks not yet issued on the day when such appeal is received.

(7) JUDICIAL REVIEW. (a) Either party may commence judicial action for the review of a decision of the commission hereunder, provided said party (after exhausting the remedies provided hereunder) has commenced such judicial action within 30 days after a decision of the commission was mailed to his last known address.

(b) Any judicial review hereunder shall be confined to questions of law, and the other provisions of ch. 102 of the 1959 statutes with respect to judicial review of orders and awards shall likewise apply to any decision of the commission reviewed under this section. Any such judicial action may be defended, in behalf of the commission, by any qualified attorney who is a regular salaried employe of the commission and has been designated by it for this purpose, or at the commission's request by the attorney-general.

(8) LIMITATION OF FEES. No employe shall be charged fees of any kind by the commission or its representatives, in any proceeding under this chapter. Any employe claiming benefits in any commission proceeding may be represented by counsel or other duly authorized agent; but no such counsel or agents shall together charge or receive from the employe for such services more than 10 per cent of the maximum benefits at issue in such proceedings, unless the commission has first approved a specified higher fee.

108.10 SETTLEMENT OF ISSUES OTHER THAN BENEFIT CLAIMS.

(1) In connection with any issue arising under this chapter as to any liability, of an employer of one or more persons in Wisconsin, for which no review is provided under s. 108.09 and with respect to which no penalty is provided in s. 108.24, the following procedure shall apply:

(2) A deputy designated by the commission for the purpose shall investigate the existence and extent of any such liability, and may issue an initial determination accordingly; provided, however, that such a deputy may set aside or amend any such determination at any time on the basis of subsequent information or to correct a clerical mistake. A copy of each determination shall be mailed to the last known address of the employer affected thereby. The employer may

request a hearing as to any matter therein, by filing such request with the deputy within 20 days after such mailing and in accordance with such procedure as the commission may by rule prescribe.

(3) Any hearing duly requested shall be held before an appeal tribunal established in the manner provided by s. 108.09(4), and s. 108.09(5) shall be applicable to the proceedings before such tribunal. Within 20 days after the appeal tribunal's decision has been mailed to the employer's last known address, he may petition the commission for review thereof pursuant to general commission rules, or the commission on recommendation of counsel may on its own motion transfer the proceedings to itself and reverse, change, or set aside the decision of the appeal tribunal on the basis of evidence previously submitted in such case, or direct the taking of additional testimony.

(4) The commission's authority to take action as to any issue or proceeding under this section shall be the same as that specified in s. 108.09 (6) (a), (b), and (c).

(5) The employer may commence action for the judicial review of a commission decision hereunder, provided said employer, after exhausting the remedies provided hereunder, has commenced such action within 30 days after such decision was mailed to his last known address. The scope of judicial review, and the manner thereof insofar as applicable, shall be the same as that provided in s. 108.09 (7).

(6) The mailing of determinations and decisions provided in subs. (2), (3), (4), and (5) shall be first class, and may include the use of services performed by the postal department requiring the payment of extra fees.

(7) Any determination by a deputy or any decision by an appeal tribunal or by the commission shall become conclusive with respect to the employer unless he has acted to secure a hearing or review as hereinbefore provided, but shall be binding on the commission only in so far as the relevant facts were included in the record which was before the deputy, appeal tribunal, or commission at the time the determination or decision was issued.

108.11 AGREEMENT TO CONTRIBUTE BY EMPLOYES VOID. (1) No agreement by an employe or by employes to pay any portion of the contributions required under this chapter from employers shall be valid. No employer shall make a deduction for such purpose from wages. Any employe claiming a violation of this provision may, to recover wage deductions wrongfully made, have recourse to the method set up in s. 108.09 for settling disputed benefit claims.

(2) But nothing in this chapter shall affect the validity of voluntary arrangements whereby employes freely agree to make contributions to a fund for the purpose of securing unemployment compensation additional to the benefits provided in this chapter.

108.12 WAIVER OF BENEFIT VOID. No agreement by an employe to waive his right to benefits or any other rights under this chapter shall be valid. No employe shall, in any proceeding involving benefits under this chapter, be prevented from asserting all facts relevant to his eligibility, regardless of any prior erroneous representation with respect to such facts.

108.13 ASSIGNMENT. (1) No claim for benefit under this chapter nor any interest in any unemployment benefit fund or reserve maintained under this chapter shall be assignable before payment, but this provision shall not affect the survival thereof; nor shall any claim for benefit awarded, adjudged, or paid, nor any interest in any such unemployment benefit fund or reserve, be subject to be taken for the debts of the party entitled thereto.

(2) In case an employe dies after the close of a week of unemployment in which he was eligible and for which benefits are payable under this chapter, the commission may designate any person who might in its judgment properly receive such benefits, and a receipt or an endorsement from the person so designated shall fully discharge the fund from liability for such benefits.

108.14 ADMINISTRATION. (1) This chapter shall be administered by the industrial commission.

(2) The commission shall have power and authority to adopt and enforce all rules and regulations which it finds necessary or suitable to carry out the provisions of this chapter. A copy of such rules and regulations shall be delivered to every person making application therefor. The commission may require from employers, whether subject to this chapter or not, any reports on employment, wages, hours and related matters which it deems necessary to carry out the provisions of this chapter.

(2m) In the discharge of their duties under this chapter any member of an appeal tribunal, and any deputy, examiner, commissioner, or other duly authorized representative of the commission shall have power to administer oaths to persons appearing before them, take depositions, certify to official acts, and by subpoenas (served in the manner in which circuit court subpoenas are served) to compel attendance of witnesses and the production of books, papers, documents, and records necessary or convenient to be used by them in connection with any investigation, hearing, or other proceeding under this chapter. Provided, that in any investigation, hearing or other proceeding involving the administration of oaths or the use of subpoenas under this subsection due notice shall be given to any interested party involved, who shall be given an opportunity to appear and be heard at any such proceeding and to examine witnesses and otherwise participate therein. Witness fees and other expenses involved in proceedings under this chapter, including a party's travelling expenses, may be allowed by the appeal tribunal or representative of the commission at rates specified by general commission rules, and shall be paid from the unemployment administration fund.

(3) The commission may appoint, employ and pay as many persons as it deems necessary to administer and to carry out the purposes of this chapter, and may make all other expenditures of any kind and take any other action consistent herewith which it deems necessary or suitable to this end.

108.14 (3m)

(3m) In any court action to enforce the provisions of this chapter the commission and the state may be represented by any qualified attorney who is a regular salaried employe of the commission and is designated by it for this purpose, and/or at the commission's request by the attorney-general. In case the governor designates special counsel to defend, in behalf of the state, the validity of this chapter or of any provision of title IX of the federal social security act, the expenses and compensation of such special counsel and of any experts employed by the commission in connection with such proceeding may be charged to the administration fund.

(4) The commission may create as many employment districts and district appeal boards and may establish and maintain as many free public employment offices as it deems necessary to carry out the provisions of this chapter. The commission shall have power to finance either partly or completely such public employment offices as it deems necessary under this chapter, from the funds appropriated to the commission for its expenses under this chapter, whether or not the political subdivision in which such office is located agrees to pay or does pay any part of the expenses of such office.

(5) The commission shall appoint a state advisory committee on this chapter, and may appoint additional committees for industries or local districts. Each such committee shall consist of a salaried commission employe, who shall serve as chairman, and of one or more representatives of employers, and an equal number of representatives of employes, who shall receive for each day of active service such reasonable compensation as the commission may determine and reimbursement of necessary expenses, and shall assist the commission in administering and carrying out the purposes of this chapter.

(5m) The state advisory committee appointed by the commission under sub. (5) shall submit its recommendations with respect to amendments of this chapter to each regular session of the legislature, and shall report its views on any pending bill relating to this chapter to the proper legislative committee.

(6) It shall be one of the purposes of this chapter to promote the regularization of employment in enterprises, localities, industries and the state. The commission, with the advice and aid of its advisory employment committees, shall take all appropriate steps within its means to reduce

and prevent unemployment. To this end the commission may employ experts, and may carry on and publish the results of any investigations and research which it deems relevant, whether or not directly related to the other purposes and specific provisions of this chapter. At least once a year the commission shall compile and publish a summary report stating the experience of employer accounts (without naming any employer) and covering such other material as it deems significant in connection with the operations and purposes of this chapter.

(7) The reports, records, files, accounts, papers and memoranda, of any nature whatsoever, received or made or maintained by the commission in connection with the administration of this chapter shall be open to public inspection only when and to the extent that the commission may allow such inspection as it deems advisable in the interests of effective administration. The commission may provide for the printing and distribution of such number of copies of any forms, records, decisions, regulations, rules, pamphlets or reports, related to the operation of this chapter, as it deems advisable for the effective operation thereof.

(8) (a) The commission may enter into administrative arrangements with any agency similarly charged with the administration of any other unemployment compensation law, for the purpose of assisting the commission and such agencies in paying benefits under the several laws to employes while outside their territorial jurisdictions. Such arrangements may provide that the respective agencies shall, for and on behalf of each other, act as agents in effecting registration for work, notices of unemployment, and any other certifications or statements relating to an employe's claim for benefits, in making investigations, taking depositions, holding hearings, or otherwise securing information relating to coverage or contribution liability or benefit eligibility and payments; and in such other matters as the commission may consider suitable in effecting the purpose of these administrative arrangements.

(b) The eligibility of an employe with respect to a benefit claim (based on past credit weeks under this chapter) may be established through arrangements authorized in this subsection, and he shall then be paid the benefits due him under this chapter.

(c) Any person who wilfully makes a false statement or misrepresentation regarding a benefit claim, to the commission (or its repre-

sentative) acting under any administrative arrangement authorized herein, shall on conviction be deemed guilty of a misdemeanor and be punished in the manner provided in s. 108.24.

(8m) (a) The commission may enter into reciprocal arrangements, with any agency administering another unemployment compensation law, whereby all the services performed by an individual for a single employing unit, which services are customarily performed in more than one state or jurisdiction, shall be deemed to be employment covered by the law of a specified state or jurisdiction (a) in which a part of such services are performed, or (b) in which such individual has his residence, or (c) in which such employing unit maintains a place of business; provided there is in effect, as to such services, an election by such employing unit, approved by the agency administering the specified law, pursuant to which all the services performed by such individual for such employing unit are deemed to be employment covered by such law.

(b) If the federal unemployment tax act is so amended as to make subject thereto remuneration paid for any maritime employment excluded under s. 108.02 (5) (g) 6, such exclusion under this chapter shall cease if the commission enters into a reciprocal arrangement with respect to such employment pursuant to this paragraph, as of the effective date of such arrangement. The commission may enter into reciprocal arrangements with the appropriate agencies of other states with respect to such maritime services, whereby all such services by an individual for a single employer, wherever performed, shall be deemed performed wholly within this state or within any such other state. Any such services thus deemed performed in Wisconsin shall also be deemed "employment" covered by this chapter, and the election requirement of s. 108.02 (5) (c) 2 shall not apply.

(8n) (a) The commission may enter into reciprocal arrangements, with any agency administering an unemployment compensation law, to provide more equitable benefit coverage for individuals whose recent work has been covered by the unemployment compensation laws of two or more jurisdictions.

(b) Such arrangements may provide, as to any individual whose employment has been covered by this chapter and by the unemployment compensation law of one or more other participating jurisdictions, for transfer by the commission to another agency of relevant records or information, and the acceptance and use thereof (in combination with similar data from other jurisdictions) by such other agency, as a basis for determining and paying benefits under the law administered by such other agency. Reciprocally, such arrangements may provide for similar acceptance, combination and use by the commission of data received from other jurisdictions to determine and pay benefits under this chapter.

(c) Such arrangements shall provide for mutual acceptance by the participating agencies of data thus supplied, including reasonable estimates of relevant data not otherwise available in the transferring agency.

(d) Such arrangements shall specify an equitable basis for reimbursing the unemployment fund of each participating jurisdiction for any benefits paid therefrom on the basis of covered employment in (and data supplied by the agency of) another such jurisdiction, out of the unemployment fund of such other jurisdiction.

(e) Any reimbursement under this subsection shall if paid from the fund be charged to its balancing account and if paid to the fund be credited to that account. Benefits paid under this subsection directly from the fund shall also be charged to its balancing account, except that any benefits thus paid shall be charged to the proper employer account to the extent that they would be paid and thus charged if this subsection were not being applied.

(f) To facilitate the application of such arrangements to this chapter, the commission may make reasonable estimates to convert into weekly benefit rates and credit weeks the data received by it under such arrangements, and may determine and pay benefits accordingly.

(8s) If the agency administering another unemployment compensation law has overpaid benefits to an individual located in Wisconsin, and certifies to the commission the facts involved and that the individual is liable, under such law, to repay such benefits, and requests the commission to recover such overpayment, and agrees to reimburse the commission for any court costs incurred by it in such recovery efforts, the commission may in its own name, but acting as agent for such other agency, collect such overpayment by civil action, and shall pay the net amount recovered to such other agency. If benefits are currently payable under this chapter to such individual, the commission may, with notice to the individual, pay as much of such benefits to such agency as are necessary to satisfy the individual's indebtedness to such agency.

(9) The commission may make its records relating to the administration of this chapter available to the railroad retirement board, and may furnish the railroad retirement board, at the expense of said board, such copies thereof as said board deems necessary for its purposes. The commission may afford reasonable co-operation with every agency of the United States charged with the administration of any unemployment compensation law. The commission may make arrangements or agreements with the railroad retirement board, or any other agency of the United States charged with the administration of an unemployment compensation law, with respect to the establishment, maintenance and use of free employment service facilities, the taking and certifying of claims, the making of investigations,

and the supplying of other information or services related to unemployment compensation. But the commission shall not make or renew any such arrangement or agreement unless it finds that its resulting administrative costs are approximately covered or offset by the facilities, services and payments to be made available thereunder by such federal agency. Any moneys received by the commission under this subsection shall be paid into the administration fund under s. 108.20.

(9m) The commission may afford reasonable co-operation with any government agency charged with war-effort or post-war planning responsibilities or with the administration of any system of unemployment allowances or unemployment assistance or of any other program designed to prevent or relieve unemployment.

(9r) The commission may continue to pay training allowances and related payments to trainees pursuant to an agreement under the federal Manpower Development and Training Act of 1962 (P. L. 87–415) from federal moneys made available to the commission for that purpose; and may also use pursuant to such an agreement any state matching money made available to the commission for that purpose, but only if and when such matching is required by said act, including any amendment thereof.

(10) For the purposes of s. 108.15 the commission's functions financed from the unemployment administration fund shall be treated as a separate budget subdivision, and any election made by the commission pursuant to s. 108.02 (5) (f) may be limited to individuals engaged in such functions.

(11) The commission may require any employer of one or more individuals in Wisconsin to make such arrangements as will reasonably assure the commssion that the employer will keep such records, make such reports, and pay such contributions as are required under this chapter. Any employer whom the commission has notified, through notice served on him or sent by registered mail to his last known address or served on him through the secretary of state pursuant to s. 180.825 (2), that he is required to make such arrangements, if he fails to do so within 20 days after such notification, may, through proceedings instituted by the commission in the circuit court of Dane county, be restrained from doing business in Wisconsin until he has made such arrangements.

(12) (a) Consistently with the provisions of pars. (8) and (9) of s. 303 (a) of title III of the federal social security act, all moneys received in the administration fund from any federal agency under said title III shall be expended solely for the purposes and in the amounts found necessary by said agency for the proper and efficient administration of this chapter.

(b) Consistently with said provisions of said title III, any such moneys, received prior to July 1, 1941, and remaining unencumbered on said date or received on or after said date, which, because of any action or contingency, have been lost or have been expended for purposes other than, or in amounts in excess of, those found necessary by said agency for the proper administration of this chapter, shall be replaced within a reasonable time. This paragraph is the declared policy of this state, as enunciated by the 1941 legislature, and shall be implemented as further provided in this subsection.

(c) If it is believed that any amount of money thus received has been thus lost or improperly expended, the commission on its own motion or on notice from said agency shall promptly investigate and determine the matter and shall, depending on the nature of its determination, take such steps as it may deem necessary to protect the interests of the state.

(d) If it be finally determined that moneys thus received have been thus lost or improperly expended, then the commission shall either make the necessary replacement from those administration fund moneys specified in s. 20.440 (1) (v) or shall submit, at the next budget hearings conducted by the governor and at the budget hearings conducted by the next legislature convened in regular session, a request that the necessary replacement be made by an appropriation from the general fund.

(e) This subsection shall not be construed to relieve this state of any obligation existing prior to its enactment with respect to moneys received prior to July 1, 1941, pursuant to said title III.

(13) The commission may, with the advice of its state advisory committee on this chapter, by general rule modify or suspend any provision of this chapter if and to the extent necessary to permit continued certification of this chapter under title III of the federal social security act and under ss. 3303 and 3304 of the federal unemployment tax act.

(14) The commission shall fully co-operate with the agencies of other states, and shall make every proper effort within its means, to oppose and prevent any further action which would in its judgment tend to effect complete or substantial federalization of state unemployment compensation funds or state employment security programs.

(15) The commission may make, and may co-operate with other appropriate agencies in making, studies as to the practicality and probable cost of possible new state-administered social security programs, and the relative desirability of state (rather than national) action in any such field.

108.14 (16)

(16) The commission shall have duplicated or printed, and shall distribute without charge, such employment security reports, studies and other materials (including the text of this chapter and instructional or explanatory pamphlets for employers or workers) as it deems necessary for public information or for the proper administration of this chapter; but the commission may collect a reasonable charge, which shall be credited to the unemployment administration fund, for any such item the cost of which is not fully covered by federal administrative grants.

(17) To help provide suitable quarters for the administration of this chapter at the lowest practicable long-run cost, the commission may, with the governor's approval and subject to all relevant statutory requirements, use part of the moneys available for such administration under s. 20.440 (1) (u) and (v) to buy suitable real property, or to help construct suitable quarters on any state-owned land, or for the long-term rental or rental-purchase of suitable land and quarters. In each such case full and proper use shall be made of any federal grants available for the administration of this chapter.

108.141 EXTENDED BENEFITS. (1) If a federal enactment provides for complete federal financing of added weeks of benefits to be paid (after regular benefits) by the commission, for weeks within a period (of heavier unemployment) specified by or to be determined pursuant to such enactment, to unemployed individuals qualifying and eligible for such extended benefits, subject to an agreement between the commission and the secretary of labor as to such benefits, the commission shall execute such an agreement and shall pay such benefits accordingly.

(2) If a federal enactment provides for joint federal-state financing of such a program of extended benefits, with at least half the cost to be federally financed, in any state which accepts the program and finances its share of the cost, the commission shall execute an agreement to pay such benefits, from the fund's balancing account, and shall charge to said account the state's share of said cost.

(3) If such enactment provides, subject to such an agreement, for reimbursing the fund for certain benefits paid

under this chapter, the commission shall agree to and accept such reimbursements and credit them to the fund's balancing account.

(4) To apply such enactment fully the commission may join in amending any existing agreement as to its payment of regular benefits under a normal federal unemployment compensation program.

(5) Any agreement executed by the commission under sub. (2) shall pay extended benefits for those weeks for which partial federal financing is available, but not for any week ending after 1967.

108.15 FINANCING BENEFITS FOR PUBLIC EMPLOYES.

(1) BENEFIT PAYMENTS. (a) Benefits shall be payable to any public employe, if unemployed and otherwise eligible, based on his "employment" by any government unit which is an "employer" covered by this chapter. Section 108.03 (2) shall not apply.

(ah) Section 108.02 (5) (g) 7 shall not apply to any government unit covered by this section.

(b) The fund including its balancing account is hereby made available to finance such benefits, on a revolving basis, pending reimbursement thereof pursuant to this section.

(2) EXEMPTION OF GOVERNMENT UNITS FROM ADVANCE CONTRIBUTIONS. Government units are hereby exempted from the contribution requirements of s. 108.17 and 108.18.

(3) SUBSTITUTE REQUIREMENTS. In lieu of such contributions, each government unit shall reimburse the fund for benefits duly charged to its account, at such times and by such due dates as the commission shall by rule prescribe.

(4) EMPLOYER ACCOUNTS FOR GOVERNMENT UNITS. (a) For each government unit covered by this chapter, the fund's treasurer shall maintain an "employer account", as a subaccount of the fund's balancing account.

(b) Each government unit's account shall be duly charged with any benefits based on work for such unit, and shall be duly credited with any reimbursement paid by or for it to the fund.

(c) Any government unit other than a state agency may at any time make payments into its account in the fund pursuant to s. 108.18 (7).

(d) Whenever a government unit's account has a positive net balance no reimbursement of the benefits charged thereto shall be required hereunder.

(e) Whenever a government unit's account has a negative balance, any benefits chargeable to such account shall be duly paid and charged thereto; and reimbursements covering the total negative balance thus resulting shall become due pursuant to this section.

(f) The write-off provisions of s. 108.16 (7) (c) shall not apply to the account of any government unit. In lieu thereof, any such unit may, if the benefits charged to its account hereunder in any calendar year exceed 2 per cent of its "payroll" for that year, request the write-off of such excess at any time within the following calendar year. The fund's treasurer shall in that event determine and write off the amount of such excess, and no reimbursement thereof shall be required hereunder.

(fm) As applied to any government unit which has limited its election by excluding one or more of its operating units, the "2 per cent" limit of par. (f) shall be figured on the "payroll" of all its operating units, as if all were covered by its election.

(fr) As to the account of any state government unit, a 4 per cent limit shall apply in lieu of the "2 per cent" limit of par. (f).

(g) If any government unit covered by this chapter requests the commission to maintain separate accounts for parts of such unit which are separately operated or financed, the commission may do so for such periods and under such conditions as it may from time to time determine.

(5) REIMBURSEMENTS. (a) Each government unit which is an "employer" shall include in its budget for each budgetary period an estimated amount for payment of the reimbursements required by this section, including in each case any reimbursement remaining unpaid for the current or any prior period.

(b) The fund's treasurer shall, pursuant to commission rules, bill each such government unit for the reimbursements required under this section, and any reimbursement thus billed shall be promptly paid by such government unit.

(c) Reimbursements due hereunder from budget subdivisions of the state shall be paid pursuant to sub. (7).

(d) Reimbursements due hereunder from other government units shall, if they remain unpaid after their due date, be collected pursuant to sub. (6) or pursuant to any other applicable provision of law.

(6) DELINQUENT PAYMENTS. (a) Any reimbursement, duly billed hereunder, which remains unpaid after its applicable due date is a "delinquent payment" under s. 108.22 (1).

(b) Whenever a government unit's "delinquent payments" (including interest and penalties thereon) total more than the benefits duly charged to such unit's account for the 6 most recent months, a commission deputy shall so determine under s. 108.10.

(c) If such delinquency is finally established pursuant to s. 108.10, the fund's treasurer shall promptly notify such government unit accordingly, and shall also, in case such unit receives a share of any state tax or any type of state aid, certify to the state treasurer the existence and amount of such delinquency.

(d) Upon receipt of such certification, the state treasurer shall withold, from each sum of any such tax or aid thereafter payable to the government unit, until the delinquency is satisfied, the lesser of the following amounts:

1. The delinquent amount thus certified; or
2. One-half the sum otherwise payable to such government unit.

(e) Any amount withheld by the state treasurer under par. (d) shall be paid by him to the fund's treasurer, who shall duly credit such payment toward satisfying the delinquency.

(7) STATE COMPLIANCE AND APPROPRIATIONS. (a) Each of the state's budget subdivisions is a "government unit" under this section, and shall be and remain a covered "employer" with a separate employer account for all purposes under this chapter.

(b) Each such subdivision's reimbursements payable under this section shall be duly paid to the fund, upon filing by the fund's treasurer, through such subdivision, of a certificate to the department of administration specifying the amount of reimbursement due and the appropriation apparently chargeable.

(c) Each such subdivision shall have each such reimbursement amount charged to and deducted from its proper fund or appropriation, unless the commissioner of administration certifies that a stated amount thereof cannot be thus charged, in which event that amount shall be charged to the general fund under such certification.

(8) REPORTING. (a) Each government unit which is an "employer" shall give such suitable benefit notices to its employes as the commission may direct, and shall make benefit reports to the commission under the same conditions as apply to other employers.

(b) Each government unit shall designate one or more officers or employes who shall be responsible for filing the required benefit reports, and shall inform the commission as to the name and address of each person so designated. If it designates more than one such person, it shall specify for what groups or classes of employes each will report. Section 108.24 (2) applies to each person so designated.

(9) TERMINATION. (a) Any government unit which is subject to this chapter solely by its own election may terminate such coverage and election by written notice to the commission, pursuant to s. 108.02 (4) (f).

108.15 (9)

(b) In that event, any benefits payable to the employes of such government unit for any week of unemployment completed before the termination date shall be paid; but no other benefits shall become payable to such employes, based on their previous covered work, after any positive net balance then remaining in such unit's account has been used up by a benefit check which equals or exceeds such balance.

(10) ALLOCATING SALARY. In case a government unit, under its salary system, continues and pays a public employe's salary for any day on which he does no work for such unit, the amount of salary he thus receives for any such day shall be considered in determining whether he is unemployed for benefit purposes.

108.16 UNEMPLOYMENT RESERVE FUND.

(1) For the purpose of carrying out the provisions of this chapter there is established a fund to be known as the "Unemployment Reserve Fund," to be administered by the commission without liability on the part of the state beyond the amount of the fund. This fund shall consist of all contributions and moneys paid into and received by the fund pursuant to this chapter and of properties and securities acquired by and through the use of moneys belonging to the fund.

(2) (a) A separate employer's account shall be maintained by the commission as to each employer contributing to said fund.

(b) Each employer's account shall be credited with all his contributions paid into the fund, and shall be charged with all benefits duly paid from the fund to his employes based on their past employment by him, except as otherwise specified in this chapter.

(c) Any reference in this chapter to eligibility for, or to payment of, benefits "from an employer's account", or any similar reference, shall mean benefits payable or paid from the fund based on past employment by the employer in question.

(d) The fund shall be mingled and undivided, and nothing in this chapter shall be construed to grant to any employer or employe any prior claim or right to any part of the fund.

(e) Benefits to be "charged" against a given employer's account shall be so charged as of the date shown by the check covering such benefits; and such check shall be promptly mailed and shall, in determining the experience or status of such account for contribution purposes, be deemed "paid" on said date.

(f) The commission shall promptly advise the employer as to each benefit check thus charged to his account.

(2m) If a commission deputy finds that any benefits charged to an employer's account have been erroneously paid to an individual without fault by the employer, such individual and such employer and the fund's treasurer shall be notified as to such erroneous payment. In case benefits are currently payable to such individual from such employer's account, the deputy may correct the error by adjusting such benefits accordingly. To correct any error not thus adjusted, the fund's treasurer shall correct the fund's records by restoring the proper amount to the employer's account and by charging such amount to the fund's balancing account, and may at any time thereafter reimburse the balancing account by crediting to it benefits which would otherwise be payable to the individual in question or cash recovered from such individual.

(3) (a) As to any benefit overpayment still outstanding more than 6 years after the claimant's liability to reimburse the fund was duly established under s. 108.22 (8), the fund's treasurer shall write off and waive recovery of such overpayment, upon receipt of a certification by a commission deputy that reasonable efforts have been made to recover such overpayment.

(b) Any such waiver shall be recorded as satisfying any warrant then outstanding under s. 108.22 (8) as to such overpayment.

(4) Consistently with sub. (5), all contributions payable to the unemployment reserve fund shall be paid to the industrial commission, and shall promptly be deposited by the commission to the credit of the unemployment reserve fund, with such custodians as the commission may from time to time select, who shall hold, release and transfer the fund's cash in a manner approved by the commission. Payments from said fund shall be made upon vouchers or drafts authorized by the industrial commission, in such manner as the commission may from time to time approve or prescribe. Any procedure thus approved or prescribed shall be deemed to satisfy (and shall be in lieu of) any and all statutory requirements (for specific appropriation or other formal release by state officers of state moneys prior to their expenditure) which might otherwise be applicable to withdrawals from the fund. The commission shall designate a treasurer

of the unemployment reserve fund, who shall be either a regular salaried employe of the commission or the state treasurer and shall serve as treasurer of the fund until a successor designated by the commission has assumed the duties of this office. He shall give a separate bond conditioned upon his faithful performance of these duties pursuant to s. 19.01 (2), which bond shall be deemed likewise conditioned upon the faithful performance by his subordinates of their duties, in such amount as may be fixed by the industrial commission. All premiums upon the bond required pursuant to this section when furnished by an authorized surety company or by a duly constituted governmental bonding fund shall (except as otherwise provided in this section) be paid from the interest earnings of the unemployment reserve fund, but shall not exceed one-fourth of one per cent, per annum, of the amount of said bond.

(5) (a) All money received for the fund shall promptly upon such receipt be deposited to its credit in the "Unemployment Trust Fund" of the United States, in such manner as the secretary of the treasury of the United States (or other authorized custodian of said trust fund) may approve, so long as said trust fund exists and maintains for this state a separate book account (for the purposes of this chapter) from which no other state or agency can make withdrawals, any other statutory provision to the contrary notwithstanding.

(b) The commission shall requisition from this state's account in the "Unemployment Trust Fund" necessary amounts from time to time, shall hold such amounts consistently with any applicable federal regulations, and shall make withdrawals therefrom solely for benefits and for such other unemployment compensation payments or employment security expenditures as are expressly authorized by this chapter and consistent with any relevant federal requirements.

(c) While the state has an account in the "Unemployment Trust Fund," public deposit insurance charges on the fund's balances held in Wisconsin banks, the premiums on surety bonds required of the fund's treasurer under this section, and any other expense of administration otherwise payable from the fund's interest earnings, shall be paid from the administration fund.

(6) The commission shall maintain within the fund a "balancing account," to which shall be credited:

(a) All interest earnings, on moneys belonging to the fund, received by (or duly apportioned to) the fund, as of the close of the calendar quarter in which such interest accrued.

(b) Any reimbursement made pursuant to sub. (2m).

(c) Any balance credited to an employer's account, if and when he ceases to be subject to this chapter, except as provided in sub. (8).

(d) All amounts transferred from employer accounts pursuant to sub. (11).

(e) The amount of any benefit check duly issued and delivered or mailed to an employe, if such check has not been presented for payment within one year after its date of issue; provided that a substitute check may be issued and charged to the balancing account, at any time within the next following year.

(f) Any amount available for such crediting under s. 108.04 (11) or 108.07 (2) or 108.14 (8n) (e).

(g) Any payment received for the balancing account under s. 108.15.

(h) Any amount of solvency contribution received for or transferred to the balancing account pursuant to s. 108.18.

(i) Any federal reimbursement of benefits paid under any federal unemployment benefit program administered by the commission.

(j) Any federal reimbursement of benefits paid under this chapter, except as this chapter or a federal agreement requires otherwise.

(6m) There shall be charged against the fund's balancing account:

(a) The benefits thus chargeable under (and pursuant to) s. 108.04 (7) (e); 108.07 (2); 108.14 (8n) (e); 108.15 (1) (b); or subs. (2m), (6) (e), (7) (a) and (b).

(b) Any benefits paid under any federal unemployment benefit program administered by the commission, pending their reimbursement.

(c) The overdraft write-offs thus chargeable under (and pursuant to) s. 108.15 (4) (f) or sub. (7) (c).

(d) Any negative balance of a closed employer account, except as provided in sub. (8).

(7) (a) All benefits shall be paid from the fund. All benefits duly chargeable to an employer's account shall be so charged, whether or not such account is overdrawn. All other benefits shall be charged to the fund's balancing account.

(b) Benefit payments made with respect to an employer's account shall be charged directly against the fund's balancing account only when such payments cannot under this chapter be or remain charged against the account of any employer.

(c) Whenever, as of any computation date, the net overdrafts then charged against an employer's account would, even if reduced by any contributions known or subsequently discovered to be then payable

but unpaid to such account, exceed 10 per cent of his annual payroll (namely, the payroll amount used in determining his reserve percentage as of that computation date), the fund's treasurer shall, solely for the purpose of computing future reserve percentages, write off (by charging directly to the fund's balancing account) the amount by which such overdrafts would (if thus reduced) exceed 10 per cent of said payroll.

(8) (a) **If the business of any "employer" is transferred** in whole or in part, the transferee shall be deemed a successor for the purposes of this chapter. An employing unit shall not be deemed a successor, however, if the commission finds that there were less than 20 weeks lying wholly within the calendar year in which the transfer occurred (and also less than 20 weeks lying wholly within the preceding calendar year) within which the transferring "employer" employed as many as 3 persons in employment subject to this chapter in connection with the business or portion thereof transferred. In case of the transfer of any of the assets of a covered employer's business by any means whatever, otherwise than in the ordinary course of trade, such transfer shall be deemed a transfer of business and shall constitute the transferee a successor hereunder, unless the commission, on its own motion or on application of an interested party, finds that all the following conditions exist:

1. The transferee has not continued or resumed the business of the transferor, either in the same establishment or elsewhere; and

2. The transferee has not employed substantially the same employes as those the transferor had employed in connection with the assets transferred.

(b) The successor, if not already subject to this chapter, shall become an "employer" subject hereto on the date of such transfer, and shall accordingly become liable for contributions hereunder from and after said date.

(c) The successor shall take over and continue the employer's account, including its plus or minus balance and all other aspects of its experience under this chapter, in proportion to the payroll or employes assignable to the transferred business as determined for the purposes of this chapter by the commission. The successor shall be sec-

ondarily liable for any amounts owed by the employer to the fund (and to the administration fund) at the time of such transfer; but such liability shall be proportioned to the extent of the transfer of business and shall not exceed the value of the assets transferred.

(d) The benefit liability of a successor's account under s. 108.06, if it has not accrued before the transfer date, shall begin to accrue on the transfer date, in case the transferor's benefit liability was then accruing; or shall begin to accrue on the date otherwise applicable to the successor, or on the date otherwise applicable to the transferor, whichever is earlier, in case the transferor's benefit liability was not accruing on the transfer date. Similarly, benefits from a successor's account, if not payable before the transfer date, shall become payable on the transfer date, in case the transferor was then liable for benefit payments; or shall become payable on the date otherwise applicable to the successor, or on the date otherwise applicable to the transferor, whichever is earlier, in case the transferor was not liable for benefit payments on the transfer date.

(e) The account taken over by the successor employer shall remain liable with respect to accrued benefit and related rights based on employment in the transferred business, and all such employment shall be deemed employment performed for such employer.

(f) The contribution rates applicable with respect to the accounts of the successor employer and the transferring employer shall be respectively determined or redetermined as of the applicable computation date, to apply from the date of transfer of business until the close of the current calendar year, and shall thereafter be redetermined whenever required by s. 108.18, as follows: For the purposes of s. 108.18, the commission shall determine the "experience under this chapter" of the successor employer's account and of the transferring employer's account by allocating to the successor employer's account for each period in question the respective proportions of the transferring employer's payroll and benefits which the commission determines to be properly assignable to the business transferred.

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(9) (a) Consistently with s. 3305 of the federal internal revenue code, relating to federal instrumentalities which are neither wholly nor partially owned by the United States nor otherwise specifically exempt from the tax imposed by s. 3301 of said code:

1. Any contributions required and paid under this chapter for 1939 or any subsequent year by any such instrumentality, including any national bank, shall be refunded to such instrumentality in case this chapter is not certified with respect to such year under s. 3304 of said code.

2. No national banking association which is subject to this chapter shall be required to comply with any of its provisions or requirements to the extent that such compliance would be contrary to s. 3305 of said code.

(10) All money withdrawn from the fund shall be used solely in the payment of benefits, exclusive of expenses of administration, and for refunds of sums erroneously paid into the fund and for refunds payable under sub. (9), and for expenditures made pursuant to s. 108.161 and consistently with the federal limitations applicable thereto.

(10m) The commission shall not pay any interest on any benefit payment or collect any interest on any benefit overpayment.

(11) Omitted here, because the "transfer" provisions of 108.16 (11) are suspended by sub. (12), below, through June 1969, pending adequate experience with the new solvency safeguard.

(12) Subsection (11) shall not be applied at any time after 1964 and before July 1, 1969, and no transfer shall be made thereunder by reason of the level of the fund's balancing account at any time within that period.

108.161 ADMINISTRATIVE FINANCING ACCOUNT. (1) The fund's treasurer shall maintain within the fund an employment security "Administrative Financing Account", and shall credit thereto all amounts credited to the fund pursuant to the federal employment security administrative financing act (of 1954) and section 903 of the federal social security act, as amended.

(1m) He shall also credit to said account all federal moneys credited to the fund pursuant to sub. (8).

(2) The requirements of said section 903 shall control any appropriation, withdrawal and use of any moneys in said account.

(3) Consistently with this chapter and said section 903, such moneys shall be used solely for benefits or employment security administration, including unemployment compensation, employment service and related statistical operations.

(4) Such moneys shall be encumbered and spent for employment security administrative purposes only pursuant to (and after the effective date of) a specific legislative appropriation enactment:

(a) Stating for which such purposes and in what amounts the appropriation is being made to the administration fund created by s. 108.20.

(b) Directing the fund's treasurer to transfer the appropriated amounts to the administration fund only as and to the extent that they are currently needed for such expenditures, and directing that there shall be restored to the account created by sub. (1) any amount thus transferred which has ceased to be needed or available for such expenditures.

(c) Specifying that the appropriated amounts are available for obligation solely within the 2 years beginning on the appropriation law's date of enactment.

(d) Limiting the total amount which may be so obligated during any fiscal year to the aggregate of all amounts credited under sub. (1), including amounts credited pursuant to sub. (8), within that year and the 9 preceding fiscal years, reduced by the sum of any moneys obligated and charged against any of the amounts thus credited within those 10 years.

(5) The total of the amounts thus appropriated for use in any fiscal year shall in no event exceed the moneys available for such use hereunder, considering the timing of credits hereunder and the sums already spent or appropriated or transferred or otherwise encumbered hereunder.

(6) The fund's treasurer shall keep a record of all such times and amounts; shall charge each such sum against the earliest credits duly available therefor; shall include any sum thus appropriated but not yet spent hereunder in computing the fund's net balance as of the close of any month, in line with the federal requirement that any such sum shall (until spent) be deemed part of the fund; and shall certify the relevant facts whenever necessary hereunder.

(7) If any moneys appropriated hereunder are used to buy and hold suitable land, with a view to the future construction of an employment security building thereon, and if such land is later sold or transferred to other use, the proceeds of such sale (or the value of such land when transferred) shall be credited to the account created by sub. (1).

(8) If any sums are appropriated and spent hereunder to buy land and to build a suitable employment security building thereon, then any federal moneys thereafter credited to the fund or paid to the commission by way of gradual reimbursement of such employment security capital expenditures, or in lieu of the estimated periodic amounts which would otherwise (in the absence of such expenditures) be federally granted for the rental of substantially equivalent quarters, shall be credited to the account created by sub. (1), consistently with any federal requirements applicable to the handling and crediting of such moneys.

(8m) To the extent that employment security moneys finance the capital cost of acquiring office quarters, either in a separate employment security building project or in a larger state building, no rental for the quarters thus financed (or for equivalent substitute quarters) shall be charged the commission or its employment security functions at any time. The commission shall so certify, in applying for the federal moneys specified in sub. (8).

(9) Any land and building or office quarters acquired hereunder shall continue to be used for employment security purposes. Such realty or quarters shall not be sold or transferred to other use without the governor's approval. If thus sold or transferred, the proceeds of such sale, or the value of such realty or quarters when transferred, shall, except as federally approved equivalent substitute rent-free quarters are provided, be allocated and credited to the account created by sub. (1) and/or to the fund created by s. 108.20, in accordance with any then applicable federal requirements; and shall, to the extent said requirements permit, be used to finance employment security quarters.

(10) Any realty acquired hereunder shall be excluded from the 2 per cent building fund computation specified in s. 13.351 (3).

108.17 PAYMENT OF CONTRIBUTIONS. (1) Contributions shall accrue and become payable by each employer then subject to this chapter on the first day of July, 1934, and shall be paid thenceforth in accordance with this chapter. Thereafter contributions shall accrue and become payable by any employer on and after the date on which he becomes newly subject to this chapter.

(1m) In the case of an employer who becomes, as of the beginning of 1937 or of any subsequent calendar year, newly subject to this chapter based on his employment during the given year, his contributions based on payrolls prior to the date on which his employment made him subject hereto shall not be considered as payable for the purposes of s. 108.22 until such subsequent date (ocurring within 60 days) as the commission may determine.

(2) All contributions required under this chapter from employers shall be paid to the industrial commission, at such times and in such manner as the commission may prescribe.

(2m) When a written statement of account is issued to an employer by the commission's unemployment compensation department, showing as duly credited a specified amount received from him under this chapter, no other form of state receipt therefor shall be required.

(3) If an employer (of any person) makes application to the commission to adjust an alleged overpayment by him of contributions or interest under this chapter, and files such application within 3 years after the close of the calendar year in which such payment was made, a commission deputy shall make a determination under s. 108.10 as to the existence and extent of any such overpayment, and the provisions of said section shall apply to such determination. As to any amount determined under said section to have been erroneously paid by the employer, the commission shall allow him a corresponding credit, without interest, against his future contribution payments; or, if the commission finds it impracticable to allow the given employer such a credit, it shall refund such overpayment to him, without interest, from the fund or the administration fund, as the case may be.

(4) However, in case an employer's contribution rate for any year has been incorrectly determined, it shall be corrected (and contributions shall be adjusted or become payable accordingly) only if due notice of such error is given during, or within 6 months after the close of, the calendar year to which such rate applies.

108.18 CONTRIBUTIONS TO THE FUND.

(1) TOTAL RATE. (a) Each employer shall pay contributions to the fund for each calendar year at whatever rate on his payroll for that year duly applies to him pursuant to this section and s. 108.02 (8) (d).

(b) An employer's contributions shall be credited to his account in the fund, but only after any solvency contribution paid or payable by him or deducted from his account under subs. (8) and (9) has been credited to the fund's balancing account (currently, as of the date when paid or deducted).

(2) INITIAL RATES. (a) An employer's contribution rate shall be 2.7 per cent on his payroll for each of the first 3 calendar years with respect to which contributions are credited to his account, except as additional contributions apply under this section.

(b) As to each of those first 3 calendar years, if the employer's payroll for any such year was $20,000 or more, he shall be required to pay an additional contribution at the rate of 1.3 per cent on that calendar year's payroll, within 60 days after notice from the commission that such additional contribution is payable, if his account:

1. At the close of that calendar year was overdrawn (on a cash basis, with the benefits paid and charged to the account exceeding the contributions paid and credited thereto, through said close of year); or

2. As of the next June 30 computation date was overdrawn (with a negative reserve percentage).

(3) REQUIREMENTS FOR REDUCED RATE. As to any calendar year, an employer shall be permitted to pay contributions to the fund at a rate lower than the standard rate of 2.7 per cent on his payroll for that year only when, as of the applicable computation date :

(a) Benefits have been chargeable to the employer's account during the 18 months preceding such date; and

(b) Such lower rate applies under this section; and

(c) Permitting him to pay such lower rate is consistent with the relevant conditions then applicable to additional credit allowance for such year under s. 3303(a) of the federal unemployment tax act, any other provision to the contrary notwithstanding.

(4) EXPERIENCE RATES. Except as otherwise specified in this section, an employer's contribution rate on his payroll for a given calendar year shall be based on the reserve percentage of his account as of the applicable computation date, as follows:

(a) If such reserve percentage is less than zero (because his account is overdrawn), such rate shall be:

1. 4 per cent, unless a higher rate applies under this paragraph.

2. For 1965 or any subsequent calendar year, 4.2 per cent, if such reserve percentage is minus 2 per cent or lower, unless a higher rate applies under this paragraph.

3. For 1966 or any subsequent calendar year, 4.4 per cent, if such reserve percentage is minus 4 per cent or lower, unless a higher rate applies under this paragraph.

(b) If such reserve percentage is zero or more, but less than 2 per cent, such rate shall be 3.5 per cent.

(c) If such reserve percentage is 2 per cent or more, but less than 4 per cent, such rate shall be 3 per cent.

(d) If such reserve percentage is 4 per cent or more, but less than 6 per cent, such rate shall be 2.5 per cent.

(e) If such reserve percentage is 6 per cent or more, but less than 7 per cent, such rate shall be 2 per cent.

(f) If such reserve percentage is 7 per cent or more, but less than 8 per cent, such rate shall be 1.5 per cent.

(g) If such reserve percentage is 8 per cent or more, but less than 9 per cent, such rate shall be one per cent.

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(h) If such reserve percentage is 9 per cent or more, but less than 10 per cent, such rate shall be one-half of one per cent.

(i) If such reserve percentage is 10 per cent or more, such rate shall be zero per cent.

(5) LIMITATION. To prevent unduly sharp increases in contribution rates during bad years, an employer's contribution rate for any calendar year shall in no case exceed by more than one per cent (on payroll) the rate which applied to him at the close of the preceding calendar year, except under sub. (2).

(5m) The one per cent limit of sub. (5) shall be computed from the employer's experience rate assigned to him under subs. (4), (5) and (6) before applying sub. (10) or s. 108.02 (8) (d).

(6) COMPUTATION IN SPECIAL CASES. If during the year ending on a computation date an employer has been liable for contributions but has had no payroll, his reserve percentage as of that computation date shall be computed on the basis of his most recent year (ending on a computation date which applied to him) of some payroll; but his contribution rate for the calendar year following the computation date shall in no case be less than one per cent.

(7) VOLUNTARY CONTRIBUTIONS. Any employer may at any time make payments to the fund, in excess of the other requirements of this section. Each such payment shall be credited to the employer's account as of the date when paid, except that any such payment made during the period July 1 through November 30 shall, for the purpose of computing his reserve percentage, be credited thereto as of the immediately preceding computation date; and each such payment shall be treated as a contribution required and irrevocably paid under this chapter with respect to payrolls preceding the date as of which it is thus credited.

(8) SOLVENCY CONTRIBUTIONS. Each employer's solvency contribution for each period of a calendar year shall be figured by applying the solvency rate determined

for that year under sub. (9) to his payroll for that period, and shall be payable to the fund's balancing account by the due-date of his contribution report, as follows:

(a) If the employer's regular contribution rate for that year under this section is less than 3.7 per cent, the commission shall deduct his solvency contribution (figured at the solvency rate, on his relevant payroll) from his current contributions and/or (if necessary) from his account, except to the extent that he elects otherwise by paying some or all of his solvency contribution in addition to his other contributions by the due-date of his contribution report.

(b) If the employer's regular contribution rate for that year under this section is 3.7 per cent or more, his solvency contribution (figured at the solvency rate, on his relevant payroll) shall, without limitation by sub. (5), be added to and payable with his other contributions.

(c) As used in this subsection, an employer's "regular contribution rate" means the initial rate assigned to him under sub. (2) (a), or the experience rate assigned to him under subs. (4), (5) and (6) before applying sub. (10) or s. 108.02 (8) (d).

(9) SOLVENCY RATES. (a) The solvency rate for 1965 shall be 0.25 per cent.

(b) The solvency rate required for each subsequent calendar year shall depend on the extent to which the net balance of the fund's balancing account at the close of the preceding July falls short of the adequacy level then required, and shall be determined by the fund's treasurer pursuant to this subsection.

(c) The adequacy level required for the fund's balancing account shall be:

1. $15 million at the close of July 1965.

2. $18 million at the close of July 1966.

3. At the close of each subsequent July, the amount which equals 0.4 per cent of the gross wages paid by all employers in the immediately preceding calendar year, as determined pursuant to par. (h).

(d) The fund's treasurer shall determine the net balance of the fund's balancing account, at the close of each July, after deducting the debit balances of any employer accounts then overdrawn and any positive balance of any government unit, and after crediting any benefit payments reimbursable by any government unit.

(e) He shall subtract that net balance from the relevant adequacy level required by par. (c), to determine the "deficiency amount" for the balancing account at the close of July.

(f) He shall then compare that deficiency amount with the aggregate payrolls (for the preceding calendar year) determined under par. (h), to figure the lowest multiple of one-tenth per cent which would, if applied to those payrolls, yield the "deficiency amount."

(g) The multiple of one-tenth per cent thus computed shall be the solvency rate for the calendar year which follows that close of July.

(h) The commission shall determine for each calendar year, by the following June 1, from reports to the commission (including corrections thereof) filed within 3 months after the close of that year by employers (except government units) covered by this chapter as to their employes in employment covered by this chapter:

1. The gross wages thus reported by such employers as paid in that year for such employment; and

2. The aggregate "payrolls" thus reported by such employers as paid in that year for such employment.

(i) The fund's treasurer shall promptly make the calculations required by this subsection, and shall publish the resulting findings in the official state paper by October 15, and shall notify each employer by November 15 as to what solvency rate will apply to the ensuing calendar year.

(10) ADJUSTMENTS FOR 1966, 1967, 1968. In view of the higher "payroll" base which will apply after 1965 under s. 108.02 (8) (b), each experience rate of one-half per cent or more, as determined under subs. (4), (5) and

(6), shall be reduced by one-tenth per cent (on payroll) as to 1966 payrolls and by two-tenths per cent (on payroll) as to 1967 and 1968 payrolls.

108.19 CONTRIBUTIONS TO THE ADMINISTRATION FUND. (1) Each employer subject to this chapter shall regularly contribute to the unemployment administration fund created in s. 108.20 at the rate of two-tenths of one per cent per annum on his payroll as defined in s. 108.02. But the commission may prescribe at the close of any fiscal year such lower rates of contribution under this section, to apply to classes of employers throughout the ensuing fiscal year, as will in the commission's judgment adequately finance the administration of this chapter, and as will in the commission's judgment fairly represent the relative cost of the services rendered by the commission to each such class.

(2) If the commission finds, at any time within a fiscal year for which it has prescribed lower contribution rates to the administration fund than the maximum rate permitted hereunder, that such lower rates will not adequately finance the administration of this chapter or are excessive for that purpose, the commission may by general rule prescribe a new schedule of rates (in no case exceeding the specified maximum) to apply under this section for the balance of the fiscal year.

(2m) Within the limit specified by sub. (1), the commission may by rule prescribe at any time as to any period any such rate or rates or schedule as it deems necessary and proper hereunder. Unless thus prescribed, no such rate or rates or schedule shall apply under sub. (1) or (2).

(3) If the federal unemployment tax act is amended to permit a maximum rate of credit against said federal tax higher than the 90 per cent maximum rate of credit now permitted under s. 3302 (c) (1) of the internal revenue code, to an employer with respect to any state unemployment compensation law whose standard contribution rate on payroll under said law is more than 2.7 per cent, in that event the standard contribution rate as to all employers under this chapter shall, by a commission rule to be issued with the governor's approval, be increased from 2.7 per cent on payroll to that percentage on payroll which corresponds to the higher maximum rate of credit thus permitted against the federal unemployment tax; and such increase shall become effective on the same date as such higher maximum rate of credit becomes permissable under such federal amendment.

(4) If s. 303 (a) (5) of title III of the social security act and s. 3304 (a) (4) of the internal revenue code are amended to permit a state agency to use, in financing administrative expenditures incurred in carrying out its employment security functions, some part of the moneys collected or to be collected under the state unemployment compensation law, in partial or complete substitution for grants under said title III, in that event this chapter shall, by a commission rule to be issued with the governor's approval, be modified in the manner and to the extent and within the limits necessary to permit such use by the commission under this chapter; and such modifications shall become effective on the same date as such use becomes permissable under such federal amendments.

108.20 UNEMPLOYMENT ADMINISTRATION FUND AND APPROPRIATION. (1) To finance the administration of this chapter and to carry out its provisions and purposes there is established the

108.20 (1)

"Unemployment Administration Fund". This fund shall consist of all contributions and moneys paid to or transferred by the industrial commission for the administration fund as provided in s. 108.19, and of all moneys received for this fund by the state or by the commission from any source, including all federal moneys allotted or apportioned to the state or the commission for the Wisconsin state employment service or for administration of this chapter, or for services, facilities or records supplied to any federal agency; and the commission is hereby directed to make to federal agencies such reports as are necessary in connection with or because of such federal aid.

(2) All amounts received by the commission for such fund shall be paid over to the state treasurer and credited to the unemployment administration fund, and, as provided in s. 20.440 (1) (u) and (v), are appropriated to the commission for the administration of this chapter and the Wisconsin state employment service.

(3) There shall be included in the moneys governed by s. 20.440 (1) (v) any amounts collected by the commission under s. 108.19 (1) or (2), or under s. 108.04 (13) (c) or 108.22 (1) as tardy filing fees or as interest on delinquent payments.

(4) Any moneys transferred to the unemployment administration fund from the administrative financing account pursuant to s. 108.161 shall be expended (or restored to that account) in accordance with that section.

(5) If and to the extent that moneys transferred under sub. (4) are unavailable to finance some or all of the capital costs involved in any employment security building project or in constructing office space for use by the commission in connection with its employment security operations, the moneys available under s. 20.440 (1) (v) may be used for such financing.

(6) To the extent that moneys available under s. 20.440 (1) (v) are used to finance some or all of the capital costs involved in acquiring employment security office space, there shall be applied to the moneys thus used (the same as if they were moneys credited under s. 108.161) the provisions of s. 108.161 (7), (8), (8m) and (9), except that any resulting credits attributable to the moneys thus used shall be credited under s. 20.440 (1) (v) and s. 108.20.

(7) To the extent that federal grants hereunder, or moneys available under s. 20.440 (1) (v), or both, are used to amortize the capital costs of employment security office quarters in a state office building, s. 108.161 (9) shall apply to the costs and quarters thus amortized, except that any resulting credits shall be allocated according to the funds thus used. When such grants or moneys or both have fully amortized such costs, s. 108.161 (8m) shall apply to such quarters.

(8) As to office space used for employment security purposes in a state building, if and while federal grants for employment security administration do not fully cover the current costs (either gross rent, or operating costs) properly payable by the commission to the state with respect to such space, the commission may reserve and use the moneys available under s. 20.440 (1) (v) to assure the required payments to the state.

(9) There shall be charged to any moneys available under s. 108.161, until the moneys currently available are fully obligated, any amounts obligated for employment security local office building projects, with any remaining costs of such projects charged to the employment security moneys available under s. 20.440 (1) (v), pursuant to sub. (5).

108.21 RECORD AND AUDIT OF PAYROLLS. (1) Every employer of one or more persons in Wisconsin shall keep such a true and accurate employment record for each individual employed by him, including full name, address and social security number, as will permit determination of the weekly wages earned by each such individual from him, and shall furnish to the commission upon demand a sworn statement of the same. Such record and any other records which may show any wages paid by the employer shall be opened to inspection by any authorized commission representative at any reasonable time.

(2) The findings of any such authorized representative of the commission, based on examination of the records of any such employer and embodied in an audit report mailed to the employer, shall constitute a determination within the meaning of s. 108.10 and the provisions of said section shall apply accordingly.

(3) In the event that any such employer fails to keep adequate employment and payroll records under this section or fails to file such reports as the commission may require under this chapter, the employer's contribution liability with respect to the period for which such records are lacking or deficient or for which such reports have not been filed may be estimated by a commission deputy in a determination made pursuant to s. 108.10, and the provisions of said section shall apply to any such determination.

108.22 DELINQUENT PAYMENTS. (1) If any employer is delinquent in making by the assigned due-date any contribution report or payment to the commission required of him under this chapter, he shall be liable for a tardy filing fee of $1 for each such delinquency and shall become additionally liable for interest on such delinquent payment at the rate of one-half per cent per month (or fraction thereof) from the date such payment became due, except that said fee shall apply in lieu of such interest in any case where such interest (accrued up to the date on which such delinquent contribution and said fee are paid) is less than $1. Such tardy filing fees and interest shall be paid to the commission and credited to the unemployment administration fund.

108.22 (2)

(2) If any employer fails to pay to the commission any amount found to be due it in proceedings pursuant to s. 108.10, provided that no appeal or review permitted by said section is pending and that the time for taking an appeal or review has expired, the commission or any duly authorized representative may issue a warrant directed to the sheriff of any county of the state, commanding him to levy upon and sell sufficient of the real and personal property which may be found within his county of the employer who has defaulted in the payment of any amount thus found to be due to pay such amount, together with interest and costs and other fees, and to proceed upon the same in all respects and in the same manner as upon an execution against property issued out of a court of record, and to return such warrant to the commission and pay to it the money collected by virtue thereof within 60 days after the receipt of such warrant. The sheriff shall, within 5 days after the receipt of the warrant, file with the clerk of the circuit court of his county a copy thereof, unless the employer shall make satisfactory arrangements for the payment thereof with the commission, in which case the sheriff shall at the direction of the commission return such warrant to it. The clerk shall enter in the judgment docket the name of the employer mentioned in the warrant and the amount of the contributions, interest, costs and other fees for which the warrant is issued and the date when such copy is filed. Thereupon the warrant so docketed shall be considered in all respects as a final judgment creating a perfected lien upon the employer's right, title and interest in all of his real and personal property located in the county wherein the warrant is docketed.

(3) In the discretion of the commission, a warrant of like terms, force and effect may be issued and directed to any employe or agent of the commission duly authorized by it as a deputy, who may file a copy of such warrant with the clerk of circuit court of any county in the state, and thereupon such clerk shall docket the same and it shall become a lien in the same manner, and with the same force and effect as hereinbefore provided with respect to a warrant issued and directed to and filed by a sheriff. In the execution thereof such employe or agent shall have all the powers conferred by law upon a sheriff, but shall not be entitled to collect from the employer any fee or charge for the execution of such warrant in excess of the actual expenses paid in the performance of his duty.

(4) If a warrant be returned not satisfied in full, the commission shall have the same remedies to enforce the amount due for contributions, interest, and costs and other fees as if the commission had recovered judgment against the employer for the same and an execution returned wholly or partially not satisfied.

(5) When the contributions set forth in a warrant together with interest and other fees to date of payment and all costs due the commission have been paid to it, the commission shall issue a satisfaction of the warrant and deliver or mail it to the employer, and the warrant

shall be satisfied of record by the clerk upon presentation to him of such satisfaction and payment by the employer of the fees due such clerk.

(6) The commission, if it finds that the interests of the state will not thereby be jeopardized, and upon such conditions as it may exact, may issue a release of any warrant with respect to any real property upon which said warrant is a lien or cloud upon title, and such release shall be entered of record by the clerk upon presentation to him and payment of the fee for filing said release and the same shall be held conclusive that the lien or cloud upon the title of the property covered by the release is extinguished.

(7) As an alternative to any other remedy provided in this section the commission may in its own name collect any delinquent payments due it, together with interest and costs and other fees. A statement of the amount of such delinquent payments certified by the commission shall be prima facie evidence of the employer's liability for such amount. At any time before judgment in an action for the collection of such delinquent payments, the commission may commence and maintain a garnishee action as provided by ch. 267 for actions founded on contract, or may use the remedy of attachment as provided by ch. 266 for actions founded on contract. The place of trial of an action for the collection of such delinquent payments shall not be changed from the county in which such action is commenced, except upon consent of the parties.

(8) (a) In case benefits have been overpaid or improperly paid to an individual, an initial determination may be issued setting forth the individual's liability to reimburse the fund for such overpayment. In that event the individual may appeal therefrom, within 10 days after a copy thereof was mailed to his last known address; and the procedures and limitations prescribed in s. 108.09 shall apply to any such appeal.

(b) To recover any overpayment for which liability has been thus established, the commission may file a warrant against the liable individual in the same manner as is provided in this section for collecting delinquent payments from employers.

108.23 PREFERENCE OF REQUIRED PAYMENTS. In the event of an employer's dissolution, reorganization, bankruptcy, receivership, assignment for benefit of creditors, judicially confirmed extension proposal or composition, or any analogous situation including the administration of

estates in courts of probate, the payments required of the employer under this chapter shall have preference over all claims of general creditors and shall be paid next after the payment of preferred claims for wages. Provided, however, that if the employer is indebted to the federal government for taxes due under the federal unemployment tax act and a claim for such taxes has been duly filed, the amount of contributions which should be paid to allow the employer the maximum offset against such taxes shall have preference over preferred claims for wages and shall be on a par with debts due the United States, if by establishing such preference the offset against the federal tax can be secured under s. 3302 (a) (3) of the federal unemployment tax act.

108.24 PENALTIES. (1) Any person who knowingly makes a false statement or representation to obtain any benefit payment under this chapter, either for himself or for any other person, shall upon conviction be deemed guilty of a misdemeanor and be punished by a fine of not less than $25 nor more than $100, or by imprisonment in the county jail not longer than 30 days, or by both such fine and imprisonment; and each such false statement or representation shall constitute a separate and distinct offense. The commission may by civil action recover any benefits obtained by means of any statement or representation which is untrue.

(2) Any person who knowingly makes a false statement or representation in connection with any report or as to any information duly required by the commission hereunder, or who knowingly refuses or fails to keep any records or to furnish any reports or information duly required by the commission hereunder, shall upon conviction be deemed guilty of a misdemeanor and be punished by a fine of not less than $25 nor more than $100, or by imprisonment in the county jail not longer than 30 days, or by both such fine and imprisonment; and each such false statement or representation and every day of such refusal or failure shall constitute a separate and distinct offense.

(3) Any person who makes any deduction from the wages of any employe because of liability for contributions hereunder or because of the employe's potential right to benefits,

or who knowingly refuses or fails to furnish to an employe any notice, report or information duly required hereunder by the commission to be furnished to such employe, or who, directly or indirectly by promise of reemployment or by threat not to employ or not to reemploy or by any other means, attempts to induce any employe to refrain from claiming or accepting benefits or to waive any other right hereunder, or whose rehiring policy has discriminated against former employes by reason of their having claimed benefits, shall upon conviction be deemed guilty of a misdemeanor and be punished by a fine of not less than $25 nor more than $100, or by imprisonment in the county jail not longer than 30 days, or by both such fine and imprisonment; and each such deduction from wages, and every day of such refusal or failure, and each such attempt to induce shall constitute a separate and distinct offense.

108.26 SAVING CLAUSE. The legislature reserves the right to amend or repeal all or any part of this chapter at any time; and there shall be no vested private right of any kind against such amendment or repeal. All the rights, privileges, or immunities conferred by this chapter or by acts done pursuant thereto shall exist subject to the power of the legislature to amend or repeal this chapter at any time.

OTHER STATUTORY PROVISIONS

(Supplementing Chapter 108, above)

relating to unemployment compensation

101.37 ACCEPTANCE OF FEDERAL ACT RELATING TO PUBLIC EMPLOYMENT OFFICES.

(1) The legislature hereby accepts the provisions of an act of congress, approved June 6, 1933, entitled "An act to provide for the establishment of a national employment system and for co-operation with the states in the promotion of such system, and for other purposes."

(2) The industrial commission of Wisconsin is hereby authorized and directed to co-operate with the United States employment service in the administration of said act and in carrying out all agreements made thereunder.

(3) All funds made available to this state under said act shall, upon receipt thereof, be paid into the unemployment administration

fund under s. 20.440 (1) (u) and (v), and are appropriated therefrom to the industrial commission to be expended as required by the act of congress making such funds available and the rules and regulations issued thereunder.

20.440 (1) UNEMPLOYMENT ADMINISTRATION FUND.

(u) All federal moneys paid to the industrial commission or the state for the Wisconsin state employment service pursuant to s. 101.37 or for the administration of unemployment compensation under ch. 108, and any moneys paid to the industrial commission and deposited by it with the state treasurer pursuant to s. 108.20, and all moneys duly transferred to the unemployment administration fund pursuant to s. 20.440 are appropriated to the industrial commission for the performance of the functions of the commission under ch. 108, and for its conduct of public employment offices consistently with s. 101.37, and for its other efforts to regularize employment; to pay the compensation and expenses of appeal boards and of advisory committees; and to pay allowances stimulating education during unemployment. Any balance remaining in this fund at the close of any fiscal year shall not lapse but shall remain available for the purposes herein specified.

(v) All vouchers covering expenditures under ch. 108, if duly drawn and approved in accordance with the provisions of the Wisconsin statutes applicable to the disbursement of state funds, shall be paid from the administration fund by the state treasurer, without regard to the sources from which this fund is derived. The treasurer of the unemployment reserve fund, however, shall maintain a separate record of all moneys received for the administration fund as interest on delinquent payments under ch. 108, and of all moneys (other than the contributions paid by certain "exempted" employers for January 1936) received for the administration fund as contributions for months ending prior to February 1936, namely the month in which federal grants were first authorized for the administration of ch. 108, and of all expenditures made from said moneys. He shall charge against said moneys such expenditures and transfers heretofore made by the industrial commission as the commission may by resolution decide were not properly and validly chargeable against federal grants (or other funds) received for the administration fund in or after February 1936. Said moneys shall not be expended or available for expenditure in any manner which would permit their substitution for (or a corresponding reduction in) federal funds which would in the absence of said moneys be available to finance expenditures for the administration of ch. 108. But nothing in this section shall prevent said moneys from being used as a revolving fund, to cover expenditures (necessary and proper under ch. 108) for which federal funds have been duly requested but not yet received, subject to the charging of such expenditures against such funds when received. The industrial commission may also, by resolution duly entered in its minutes, authorize to be charged against

said moneys any expenditures which it deems proper and desirable under ch. 108, provided the commission in such resolution finds that no other funds are available or can properly be used to finance such expenditures. So much of the moneys specified in this subsection as the industrial commission may from time to time direct shall be invested in United States bonds, and the interest received thereon and the proceeds therefrom shall be included in said moneys.

(w) Any amount appropriated for employment security administration pursuant to s. 108.161 shall be available for expenditure accordingly, and shall not lapse; but any unexpended remainder thereof shall be restored pursuant to that section.

Paragraph (x), omitted here, relates to appropriations pursuant to s. 108.161, for employment security buildings.

Wisconsin Income Tax

Contributions Paid by Employers. *Under Ch. 71, each employer may treat his U. C. contributions as a business expense for Wisconsin income tax purposes.*

Benefits Received by Workers. *U. C. benefits are no longer taxable under the Wisconsin income tax law.*

Hospital Service Corporations

S. 182.032 (5) of the statutes excludes from Ch. 108 the employes of non-profit hospital service corporations.

Lien on Public Improvement Contracts

Ss. 289.16 and 289.53 (1) of the statutes now provide a lien, for the unemployment compensation contributions required by Ch. 108, as to contractors on public improvement projects.

Bonds of Nonresident Contractors

S. 71.10(14) of the statutes requires a surety bond of certain nonresident contractors, to guarantee the payment of various taxes and of required unemployment compensation contributions.

HISTORICAL NOTE

Chapter 20, Laws of Special Session 1931-1932, became law on January 29, 1932. But only Sections 1, 3 and 4 of that chapter, relating to voluntary plans, took immediate effect. (Sections 2 and 5 of that chapter, which included Chapter 108 of the permanent statutes, took legal effect on June 27, 1934.)

Session Laws—amending Chapter 108

Chapter 186, Laws of 1933, was published June 2, 1933.
" 383, " " " " " July 12, 1933.

Chapter 192, Laws of 1935, was published June 26, 1935.
" 272, " " " " " July 22, 1935.
" 446, " " " " " Sept. 11, 1935.

Chapter 95, Laws of 1937, was published April 29, 1937.
" 162, " " " " " May 22, 1937.
" 343, " " " " " July 3, 1937.

Chapter 186, Laws of 1939, was published June 26, 1939.
" 245, " " " " " July 17, 1939.
" 372, " " " " " August 24, 1939.

Chapter 134, Laws of 1941, was published May 29, 1941.
" 142, " " " " " June 2, 1941.
" 288, " " " " " June 27, 1941.

Chapter 181, Laws of 1943, was published May 22, 1943.

Chapter 354, Laws of 1945, was published June 25, 1945.
" 376, " " " " " July 3, 1945.

Chapter 527, Laws of 1947, was published August 19, 1947.

Chapter 142, Laws of 1949, was published May 21, 1949.
" 450, " " " " " July 13, 1949.

Chapter 532, Laws of 1951, was published July 7, 1951.
" 545, " " " " " July 26, 1951.

Chapter 7, Laws of 1953, was published March 20, 1953.
" 206, " " " " " June 4, 1953.
" 433, " " " " " July 14, 1953.
" 483, " " " " " July 21, 1953.

Chapter 301, Laws of 1955, was published July 2, 1955.
" 464, " " " " " July 28, 1955.
" 527, " " " " " August 9, 1955.

Chapter 235, Laws of 1957, was published June 25, 1957.
" 418, " " " " " July 27, 1957.
" 419, " " " " " July 27, 1957.

Chapter 1, Laws of Special Session of 1958,
was published June 18, 1958.

Chapter 12, Laws of 1959, was published April 8, 1959.
" 61, " " " " " June 5, 1959.
" 177, " " " " " July 11, 1959.
" 572, " " " " " Oct. 30, 1959.

Chapter 12, Laws of 1961, was published March 25, 1961.

Chapter 145, Laws of 1963, was published June 29, 1963.

Chapter 10, Laws of 1965, was published March 30, 1965.
" 231, " " " " " Aug. 26, 1965.

SUMMARY LISTING of 1965 CHANGES

in Wisconsin's U. C. Law

108.02 (5) (g) 8.	Created, to exclude insurance agents paid solely by commissions.
17.	Created, to exclude federal "anti-poverty" beneficiaries.
(8) (a), (b)	Amended, to change the law's contribution "payroll" base from $3,000 to $3,600, starting in 1966. See also 108.18 (10).
(c)	Amended, to tie in with any change in the federal tax base.
(d)	Amended. If the federal tax base goes up to $4,000 or more, Wisconsin's experience rates will go down, by one-tenth per cent on payroll, for each of 3 years.
108.04 (1) (b)	Amended, to separate the 2 present provisions.
(4) (f)	Amended } Mainly clarifying, as to working
(g)	Created } students.
(6)	Amended, to tighten the disqualification in disciplinary suspension cases.
(7) (c)	Amended, to eliminate the term "compelling personal reason" and a variety of such cases, by limiting the provision to illness cases.
(e)	Repealed, thereby shifting benefit charges in certain quit cases from the fund's balancing account, to employer accounts.
(11) (a)	Amended, so that administrative penalties (benefit forfeiture) may be applied where a claimant wilfully conceals material facts.
(15) intro.	Amended, as to employes who have been retired, to take account of the retirement pay they could claim, even if they haven't yet claimed it.
108.05 (2) (h)	Created, to allow a few days for making any needed changes as to the top benefit rate.
108.06 (2) (b)	Repealed, in view of the change in 108.06 (2) (c).
(c)	Amended, to apply a single (0.8) ratio to all of a claimant's credit (work) weeks in figuring his potential benefit duration. (But the over-all limit of 34 benefit weeks in a benefit year is not lengthened.)
108.061 (3) (g), (5), (6) & (7).	Repealed. Obsolete.
108.141 (5)	Amended, to clarify and extend the authorization to operate any new federal–state program of recession benefits, with partial federal financing.

108.16 (6) (h)	Amended, to credit the law's new solvency contributions to the fund's balancing (solvency) account.
(12)	Created. Suspends the "transfer" provisions of 108.16 (11)—through June 1969, pending adequate experience with the new solvency safeguard.
(13)	Repealed. Obsolete.
108.161 (1m)	Created, to assure the proper crediting of certain federal moneys.
(4) (d)	Amended, to take account of revised federal time limits.
108.18 (1) (a), (b)	Amended, to provide for the new solvency contribution, and to assure its proper crediting.
(2) (a)	Amended — Clarifying changes, in line with the new solvency contribution rates, and with any downward adjustment of experience rates under 108.02 (8) (d) or 108.18 (10).
(3) intro.	"
(b)	"
(5m)	Created
(8)	Created. SOLVENCY CONTRIBUTIONS. Provides a more equitable method for safeguarding the fund's balancing (solvency) account by requiring a solvency contribution from every employer, at a uniform rate on each employer's contribution "payroll" for each calendar year, to be credited to the fund's solvency account. Employers whose normal rate is under 3.7% will not have to pay their solvency contribution as a current "extra"—unless they so elect. In deficit cases, however, the overdrawn employer must add the solvency rate to his normal experience rate.
(9)	Created. SOLVENCY RATES. The solvency rate for 1965 is 0.25%. For 1966 and each subsequent calendar year, the needed solvency rate will be set annually, in advance, under a self-adjusting formula.
(10)	Created. Reduces all experience rates by 0.1% for 1966, and by 0.2% for 1967 and 1968—to ease the transition to the new $3,600 taxable wage base which applies from 1966 on.
108.20 (8)	Repealed and recreated, as to certain operating costs.
(9)	Amended, to delete obsolete language and to assure the full use of special federal money for buildings.

NOTE—This TEXT reflects the current numbering of the relevant state and federal statutes, plus various changes effected by "revision" and other bills, through August 1965.

Wisconsin's standard abbreviations are used in referring to a statutory *ch*apter, *s*ection, *sub*section or *par*agraph.

FACTS YOU SHOULD KNOW

about

CLAIMING UNEMPLOYMENT BENEFITS

under

WISCONSIN'S U. C. LAW

(Chapter 108, Wis. Statutes)

Administered by the

INDUSTRIAL COMMISSION OF WISCONSIN UNEMPLOYMENT COMPENSATION DEPARTMENT

July, 1966

UC-10
WIS. 5-65

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34 is the top number of benefit weeks which may be paid in any benefit year.

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36.01 to 38.	19
38.01 to 40.	20
40.01 to 42.	21
42.01 to 44.	22
44.01 to 46.	23
46.01 to 48.	24
48.01 to 50.	25
50.01 to 52.	26
52.01 to 54.	27
54.01 to 56.	28
56.01 to 58.	29
58.01 to 60.	30
60.01 to 62.	31
62.01 to 64.	32
64.01 to 66.	33
66.01 to 68.	34
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70.01 to 72.	36
72.01 to 74.	37
74.01 to 76.	38
76.01 to 78.	39
78.01 to 80.	40

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96.01 to 98.	49
98.01 to 100.	50
100.01 to 102.	51
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   Be sure to tell us about ALL wages, earned IN or received FOR a week. "Wages" include every form of pay for work done, dismissal, holiday and vacation pay, value of room and board, tips, working off a bill or debt. Under some conditions, with notice to you, retirement pay (including social security) will be treated as wages.

2. You must be physically *able to work.* You can't draw benefits if you can't work.

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PARTIAL UNEMPLOYMENT

If you get some pay, but less than your weekly benefit rate, for a calendar week in which you did all the work your employer had for you, you may be eligible for benefits. This is called *partial unemployment.*

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Be sure to report all your (gross) pay or wages FOR each week from all employers. If your wages are half or more of your benefit rate, a half check may be paid; if under half, a full benefit check.

DISQUALIFICATIONS

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If your employer says you quit or were discharged, your benefits are held up while we investigate the facts. We get your story and the employer's. Then we issue a written decision as to whether you are eligible for benefits. A copy is sent to you and one to the employer.

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Ashland	220 6th Ave. W.
Beloit	417 Harrison Ave.
Eau Claire	418 Wisconsin St.
Fond du Lac	201 S. Marr St.
Green Bay	City Hall
Janesville	211 N. Parker Drive
Kenosha	1016 56th St.
La Crosse	508 5th Ave., S.
Lancaster	925 N. Madison St.
Madison	206 N. Broom St.
Manitowoc	Safety Bldg.
Milwaukee	819 N. Sixth St.
Milwaukee*	2528 W. North Ave.
Milwaukee*	2778 S. 35th St.
Oshkosh	304 High Ave.
Racine	618 Sixth St.
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Superior	1616 Tower Ave.
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54.01 to 56.	28
56.01 to 58.	29
58.01 to 60.	30
60.01 to 62.	31
62.01 to 64.	32
64.01 to 66.	33
66.01 to 68.	34
68.01 to 70.	35
70.01 to 72.	36
72.01 to 74.	37
74.01 to 76.	38
76.01 to 78.	39
78.01 to 80.	40

Average Weekly Wage	Benefit Rate
$ 80.01 to $ 82.	$41
82.01 to 84.	42
84.01 to 86.	43
86.01 to 88.	44
88.01 to 90.	45
90.01 to 92.	46
92.01 to 94.	47
94.01 to 96.	48
96.01 to 98.	49
98.01 to 100.	50
100.01 to 102.	51
102.01 to 104.	52
104.01 to 106.	53
106.01 to 108.	54
108.01 to 110.	55
110.01 to 112.	56
112.01 to 114.	57
114.01 to 116.	58
116.01 to 118.	59
118.01 to 120.	60
120.01 or more	61

The top benefit rate may move up or down on January 1 or July 1. If the average weekly wage for ALL workers goes up enough, then the top benefit rate moves up. If that average wage goes down enough, the top benefit rate goes down.

WAITING PERIOD

Before you can draw benefits in a given benefit year, you must serve one waiting week. No benefits are payable for that week. But you must file a claim for the week and meet all the same requirements you would have to meet to get a benefit check.

FIRST CHECK

The first check is due a few days after your third weekly visit.

The first week is a waiting period without benefits. The second week will be paid for, but only after it is over and reported. In the **third** week you report about the **second** week. The first check can usually be mailed a few days later unless your case is disputed.

ELIGIBILITY

When you file a claim for benefits for either a waiting period or a check you must meet these eligibility requirements.

1. Be unemployed, in that calendar week. That means you did no work, and got no pay for that week; or if you did some work, you earned less pay than your weekly benefit rate.

   Be sure to tell us about ALL wages, earned IN or received FOR a week. "Wages" include every form of pay for work done, dismissal, holiday and vacation pay, value of room and board, tips, working off a bill or debt. Under some conditions, with notice to you, retirement pay (including social security) will be treated as wages.

2. You must be physically *able to work*. You can't draw benefits if you can't work.

3. You must be *available for work*. This means you must be ready and willing to take any suitable employment offered to you. You can't draw benefits if you don't want a job.

PARTIAL UNEMPLOYMENT

If you get some pay, but less than your weekly benefit rate, for a calendar week in which you did all the work your employer had for you, you may be eligible for benefits. This is called *partial unemployment.*

To get benefits for a week of partial unemployment you must file a claim for that week, promptly, within 4 weeks after its close.

Be sure to report all your (gross) pay or wages FOR each week from all employers. If your wages are half or more of your benefit rate, a half check may be paid; if under half, a full benefit check.

DISQUALIFICATIONS

Although you may meet the *reporting, qualifying* and *eligibility* requirements, you may be *disqualified* for various reasons. Some examples are listed below.

If your employer says you quit or were discharged, your benefits are held up while we investigate the facts. We get your story and the employer's. Then we issue a written decision as to whether you are eligible for benefits. A copy is sent to you and one to the employer.

You or the employer can *appeal* the decision within the time limit it shows. An *appeal* means a formal hearing at which you and the employer, as well as any witnesses, appear in person.

If you get a job offer take it, unless there's a reason for refusing it which could be *good cause* under the Wisconsin U. C. Law. The same thing is true if the employment service tells you about a job — go see the employer.

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A pregnant woman can't be paid for weeks in which she can't work. In any event, she can't be paid for 10 weeks before the week in which the child is expected to be born or for 4 weeks after the week in which the child was born. Then she must notify her last employer that she is able to work and available for work. She must also establish that she has personally applied for work each week with employers in her area.

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No benefits are payable if you lost your employment because of a labor dispute in your employer's establishment.

FRAUDULENT CLAIMS

Answer ALL the questions on your weekly claim forms and the supplemental questionnaire, "Statement on Ability to Work and Availability for Work," honestly and completely.

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No one but you should endorse and cash your benefit checks. Each U. C. check requires you to identify yourself when you are cashing it.

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Milwaukee*	2528 W. North Ave.
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12:30 PM - 4:30 PM

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PRINT

STATEMENT on ABILITY to WORK and AVAILABILITY for WORK

First Name	Initial	Last Name	Social Security Number	Age

Street Address	City	State	Zip

1. Name your last employer _____ 2. How long did you work for him? _____
3. Do you expect to return to your last job? _____ If "yes", when? _____
4. In the past 12 months, how many months have you been unemployed? _____
5. Are you physically able to work? ☐ Yes ☐ No. If "no", why not? _____
6. Are you available for full time work now, ☐ Yes ☐ No. If "no", why not, _____
7. What hours can you work? _____ 8. How will you travel to and from work? _____
9. What kinds of work will you accept? _____
10. Will you accept the going rate for such work? ☐ Yes ☐ No 11. What was your wage on your last job? $_____
12. Do you expect to get work through a Union? ☐ Yes ☐ No If "yes", are you registered with the Local? ☐ Yes ☐ No
13. Do you:
    a. Farm or live on a farm? ☐ Yes ☐ No
    b. Spend any time as self-employed or operating a business of any kind? ☐ Yes ☐ No
    c. Attend school or plan to attend school? ☐ Yes ☐ No
14. Are you claiming, receiving, or eligible for:
    a. Sick or disability benefits? ☐ Yes ☐ No
    b. Workmen's Compensation? ☐ Yes ☐ No
    c. A pension? ☐ Yes ☐ No
    d. Social Security ☐ Yes ☐ No
15. Are you related to any employer from whom you are claiming benefits? ☐ Yes ☐ No
16. Do you and members of your family own 20% or more stock of the corporation for which you worked? ☐ Yes ☐ No
17. TO BE ANSWERED BY WOMEN ONLY
    a. Are you pregnant? ☐ Yes ☐ No If "Yes", expected date of birth _____
    b. Do you have minor children? ☐ Yes ☐ No If "Yes", give their ages _____ Who will care for them if you find work? _____

I certify that the above answers are true and correct to the best of my knowledge.

SIGN your NAME here _____ Date signed _____

UC-O-355
Wis. 10-66

To: U. C. Claimant

COMPLETE this form CAREFULLY and ACCURATELY. We will use it to help determine your eligibility for unemployment benefits.

GIVE the completed form to the CLAIMSTAKER on your next REPORT DATE.

FAILURE to do so may DELAY your CHECKS.

Industrial Commission of Wisconsin
Unemployment Compensation Department

CANCELLED

Notes for local office use

UC-O-355
Wis. 10-66

CLAIM for Wisconsin Unemployment BENEFITS

for Calendar WEEK No. _____ from

Sun. _____ thru Sat. _____

PRINT

1. First Name	Initial	Last Name	2. Social Security Number

3. Street Address	City	State	Zip

4. Did you DO any work in the above week? ..... ☐ YES ☐ NO If "YES", enter total WAGES EARNED IN that week BEFORE deductions $ _____

If "YES", enter EMPLOYER'S Name _____ Street Address & City _____

5. Were you able to work and available for work in that week? ..... ☐ YES ☐ NO

6. Were you OFFERED any work you didn't ACCEPT in that week? .... ☐ YES ☐ NO If "YES" explain on the back.

7. Are you getting dismissal, holiday or vacation pay FOR that week? ... ☐ YES ☐ NO If "YES", how much? $ _____

8. Were you SELF-EMPLOYED in that week? ..... ☐ YES ☐ NO

9. Are you working now? ..... ☐ YES ☐ NO If "YES", enter Starting Date _____

If "YES", enter EMPLOYER'S Name _____ and Address _____

10. Have you moved since last week? ..... ☐ YES ☐ NO

11. I have answered ALL questions correctly. I know the law provides PENALTIES for FALSE STATEMENTS to obtain benefits.

SIGN your name HERE _____ Date signed (Report Date) _____

UC-17
Wis.
10-65

UNICELLED

INSTRUCTIONS—read, and then answer all items on other side, carefully.

A. This claim covers one full calendar week (Sunday thru Saturday).

B. WAIT, until your next REPORT-DATE, to complete and sign this claim. THEN, answer EVERY question.

C. Report ALL WAGES earned in the week. Include deductions. Include pay still coming.

D. On your reporting date (not before):—(1) enter that DATE, (2) SIGN your name (like you would sign a check).

E. On that date, REPORT IN PERSON and file this claim.
OR IF you're back at WORK and can't come in person, MAIL this FORM on that DATE to your reporting office.

F. To get credit for this week you must file this form PROMPTLY (no later than 4 weeks after its close).

Work refused? If "Yes" (Item 6):—

Work was
to start _____

Kind _____

For whom? _____

Why refused? _____

ADDITIONAL CLAIM for Wisconsin Unemployment Benefits

PRINT

1. First Name	Initial	Last Name	2. Social Security Number

3. Street Address	City	State	Zip

4. On what date did you last claim benefits? (Date)	5. Where did you last claim? (City)

6. **PRINT** information below for **EVERY** employer you had since you last claimed unemployment benefits. If you worked for more than three employers since you last claimed, ask for a continuation of this form.

	LAST EMPLOYER		2nd-LAST EMPLOYER		3rd-LAST EMPLOYER	
EMPLOYER NAME						
EMPLOYER ADDRESS	Address where work performed		Address where work performed		Address where work performed	
	Address where payroll records kept		Address where payroll records kept		Address where payroll records kept	
DATES WORKED	From	Through	From	Through	From	Through
No. Weeks Worked						
Badge or Clock No.						

7. Did you work less than half time in the last calendar week in which you worked? ☐ YES ☐ NO

8. Are you getting dismissal, holiday or vacation pay? ☐ YES ☐ NO

9. Since your last work-day, were you OFFERED any work you didn't ACCEPT? ☐ YES ☐ NO

10. I have answered ALL questions correctly.

SIGN your name HERE

11. DATE claim is filed

Leave blank

CANCELLED

UC-16
Wis. 10-65

NEW CLAIM for Wisconsin Unemployment BENEFITS

DO NOT FOLD THESE FORMS.

FOLLOW THESE INSTRUCTIONS CAREFULLY,

OR YOU MAY DELAY YOUR CLAIM.

PRINT your answers to items 1 - 12 PLAINLY.

Use pencil. Press hard enough to get good copy.

Do NOT erase. If you make a mistake, get a new form.

Be SURE to LIST ALL EMPLOYERS for whom you worked in the last 52 weeks.

OR:— YOU may LOSE some BENEFITS.

PRINT PLAINLY BELOW

1. First Name	Initial	Last Name	2. Social Security Number	3. Birth Date

4. Street Address	City	State	Zip	5. ☐ Male ☐ Female

6. PRINT information below for the LAST 52 WEEKS. Show EVERY EMPLOYER you had.

Start with LAST employer and work back.

If you worked for more than three employers during the last 52 weeks, ask for a continuation of this form.

	LAST EMPLOYER		2nd-LAST EMPLOYER		3rd-LAST EMPLOYER	
EMPLOYER NAME						
EMPLOYER ADDRESS	Address where work performed		Address where work performed		Address where work performed	
	Address where payroll records kept.		Address where payroll records kept.		Address where payroll records kept.	
DATES WORKED	From	Through	From	Through	From	Through
No. Weeks Worked						
Badge or Clock No.						

7. Did you work less than half time in the last calendar week in which you worked? ☐ YES ☐ NO

8. Are you getting dismissal, holiday or vacation pay? ☐ YES ☐ NO

9. Since your last work-day, were you OFFERED any work you didn't ACCEPT? ☐ YES ☐ NO

10. In the past 2 years, have you worked OUTSIDE of Wisconsin? ☐ YES ☐ NO

11. If you had military service, on what date did it end? Month Year

12. Have you claimed before? ☐ YES ☐ NO

If yes, when and where?

13. I have answered ALL questions correctly.

SIGN your name HERE _____

14. DATE claim is filed

Claimant: DO NOT WRITE below this line.

CANCELLED

UC-15
WIS. 10-65

1. First Name	Initial	Last Name	2. Social Security Number	3. Birth Date

4. Street Address	City	State	Zip	5. ☐ Male ☐ Female

203	Out	In	203A	UC-19	Out	In	203A	UC-19	Out	In	203A	UC-19
from	BR	CW	HC		BR	CW	HC		BR	CW	HC	
thru	File No.	Denial			File No.	Denial			File No.	Denial		

	LAST EMPLOYER	2nd-LAST EMPLOYER	3rd-LAST EMPLOYER
EMPLOYER NAME			
EMPLOYER ADDRESS	Address where work performed	Address where work performed	Address where work performed
	Address where payroll records kept.	Address where payroll records kept.	Address where payroll records kept.
DATES WORKED	From / Through	From / Through	From / Through
No. Weeks Worked			
Badge or Clock No.			

*DENIAL & ISSUE CODE:—

Able & Available
CaNninG
CONTinued UNAVailability
Dismissal PAY
Family Corp
Holiday PAY
Labor Dispute
MisConduct
PreGnancy
QUIT
Retirement Wages
SELF EmployeD
Suitable Work
Vacation PAY
Work Available

RECORD OF DISPUTED ISSUES

LINE	FILE NO.	ISSUE*	WK.	DATE OF UC-18	DATE OF INV.	DETERMINATION	APPEAL RECORD

BYE _____ WP _____ Code _____ Claimant's Signature _____

WK. YR. WK. YR.

On 1st Pymt. Line		WK. NO.	REG.	WP + ✓	1/2 CHECKS	WAGES	DATE TO MAD.	BY INIT.	REMARKS
FILE NO.	BR								

UC-13
WIS. 10-65

FACTS YOU SHOULD KNOW

about

CLAIMING UNEMPLOYMENT BENEFITS

under

WISCONSIN'S U. C. LAW

(Chapter 108, Wis. Statutes)

Administered by the

DEPARTMENT OF INDUSTRY, LABOR AND HUMAN RELATIONS UNEMPLOYMENT COMPENSATION DIVISION

JAN. 1968

UC-10
WIS. 11-67

It is **important** that you **read** and **understand** this folder. It explains your rights and responsibilities under the Wisconsin Unemployment Compensation (U. C.) Law. If you have any questions, be sure to ask when filing your claim.

STARTING YOUR CLAIM

If you become unemployed, and are able to work and available for work:

1. register for work with a public employment office; and

2. start a claim for unemployment benefits in the same office.

To start your claim you need:

1. a record of where you worked in the last 52 weeks; and

2. your social security card.

A list of the Wisconsin offices appears on the back of this folder.

WEEKLY REPORTING

The law uses *calendar weeks* — which begin Sunday and end Saturday.

You can't get credit for a *calendar week* of no wages unless you:

1. register for work and file a claim for benefits WITHIN the week; and

2. after the week is over, turn in your claim form for that week, promptly, but no later than 4 weeks after its close.

TAXES TO PAY BENEFITS

Only employers pay taxes to finance unemployment benefits paid under Wisconsin State Law. Your employer makes no deductions from your pay check for U. C. purposes.

COVERED WORK

Work which earns benefit rights is called *covered* employment. For work to be covered under the Wisconsin Unemployment Compensation Law it must be:

1. for an employer *covered* by that law; and

2. in a type of work not specifically *excluded* by law.

Generally an employer is *covered* by the U. C. Law if he has 4 or more workers for at least 20 weeks in a calendar year. A few smaller employers have voluntarily chosen to come under the law.

Examples of work specifically *excluded* under the law are: agricultural work, domestic work in a private home, work for certain religious, charitable or educational organizations.

QUALIFYING EMPLOYMENT

To qualify for Wisconsin U. C. benefits at all, you need 18 weeks of covered work with one or more employers in the 52 weeks before you start a new claim.

A few cases may qualify with 14 to 17 weeks in that period. Ask your claims office.

BASE PERIOD

When you file a new (beginning) claim for benefits, your rights will be based on your work and wages in the 52-week period prior to the week in which you filed your claim. This is called your *base period*. In some instances of long workmen's compensation or termination pay, that base period may be lengthened. Ask your claims office.

Be sure to list ALL employers in your base period. Otherwise, you may lose some benefits. Tell us right away about every employer you had.

Every worker should keep a complete record as to every employer.

BENEFIT YEAR

A benefit year begins with the week in which you file a valid claim and lasts 52 weeks. Once a benefit year has started, its rights cannot be increased by later covered work.

Such later work builds credits, but only for a future year. Those credits cannot be used until the current benefit year ends.

SCHEDULE OF BENEFITS

The number of weeks for which benefits may be paid during a benefit year depends on the number of weeks you worked for each employer in your base period.

The following table shows the number of benefit weeks from each employer for a given number of work weeks.

No. of Work Weeks	Benefit Weeks	No. of Work Weeks	Benefit Weeks
1	1	23	18½
2	1½	24	19
3	2½	25	20
4	3	26	21
5	4	27	21½
6	5	28	22½
7	5½	29	23
8	6½	30	24
9	7	31	25
10	8	32	25½
11	9	33	26½
12	9½	34	27
13	10½	35	28
14	11	36	29
15	12	37	29½
16	13	38	30½
17	13½	39	31
18	14½	40	32
19	15	41	33
20	16	42	33½
21	17	43 or more	34
22	17½		

34 is the top number of benefit weeks which may be paid in any benefit year.

The weekly rate at which your benefits are paid from a given employer depends on your *average weekly wage* with that employer for work weeks in your base period. All work weeks are used in figuring the average. Overtime weeks tend to increase the average while short weeks decrease it.

The following table shows the benefit rate which results from a given average weekly wage.

Average Weekly Wage	Benefit Rate
Under $16.	None
$ 16. to 19.	$11
19.01 to 22.	12
22.01 to 24.50	13
24.51 to 27.	14
27.01 to 29.50	15
29.51 to 32.	16
32.01 to 34.	17
34.01 to 36.	18
36.01 to 38.	19
38.01 to 40.	20
40.01 to 42.	21
42.01 to 44.	22
44.01 to 46.	23
46.01 to 48.	24
48.01 to 50.	25
50.01 to 52.	26
52.01 to 54.	27
54.01 to 56.	28
56.01 to 58.	29
58.01 to 60.	30
60.01 to 62.	31
62.01 to 64.	32
64.01 to 66.	33
66.01 to 68.	34
68.01 to 70.	35
70.01 to 72.	36
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88.01 to 90.	45
90.01 to 92.	46
92.01 to 94.	47
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98.01 to 100.	50
100.01 to 102.	51
102.01 to 104.	52
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12:30 PM - 4:30 PM

Many smaller cities are served once a week by a travelling claims taker. Contact the nearest full time office to ask where and when.

HIGHLIGHTS OF WISCONSIN'S UNEMPLOYMENT COMPENSATION LAW

A. Background

Unemployment compensation in this country dates back to the depression of the 1930's when millions suffered from unemployment. Wisconsin was the first state to pass a law calling for weekly compensation to the unemployed. Three years later Congress passed the Social Security Act of 1935 which included, among other famous provisions, a federal program to induce all remaining states to pass unemployment insurance laws. A state-by-state system of unemployment compensation laws developed, with minimum federal control. The major objectives of the unemployment compensation program are:

1. to provide a laid-off worker with adequate money benefits to tide him over until he can find work again, and
2. to help stave off nation-wide depression by keeping up purchasing power through the payment of millions of dollars of unemployment benefits.

B. Financing

Employers are required to finance the cost of state unemployment compensation programs by paying a payroll tax. In Wisconsin, this payroll tax is accumulated into separate employer reserve accounts. A worker, laid off from a particular employer, will receive benefits out of that employer's reserve account. Under Wisconsin's experience-rating system, the amount of tax an employer pays depends on the level of his reserve fund. If an employer can keep layoffs to a minimum and keep sufficient money reserves, his tax will be lowered or be nil. If an employer has many layoffs, and constantly depletes his reserve account (like AMC), that employer's tax will be at the highest rate allowed under the law. This system of raising and lowering the tax rate was devised to encourage employers to stabilize employment in order to get the advantage of a lower tax.

Q. CAN YOU SEE ANY DANGERS IN A SYSTEM THAT REWARDS EMPLOYERS WITH A LOWER TAX, WHEN THEY KEEP WITHDRAWALS TO A MINIMUM?

C. Who is eligible for unemployment benefits?

Most working men and women who are laid off from work are eligible for unemployment benefits. The amount and duration of benefits are based on a person's work and wages for each particular employer he has worked for in the previous year. However, before a person can draw benefits, he must meet the eligibility requirements listed below:

1. He must work for an employer with four or more employees.

All employers who employ four or more employees must pay into the unemployment compensation fund (with certain exceptions) and, therefore, his employees would be eligible for benefits.

Employees working for employers with three or less employees, for religious or charitable organizations, for smaller governmental units or for agricultural enterprises are not eligible.

Employees of the federal government, of the State of Wisconsin, of the City of Milwaukee and servicemen with an honorable discharge are eligible.

2. He must work 18 weeks in the previous year.

An employee must have worked in at least 18 weeks in the 52-week period immediately preceding his first claim for benefits. These 18 weeks do not have to be for one employer, they can be for 18 different employers.

3. He must average at least $16.00 per week.

A person must maintain a $16.00 average weekly wage in order to be eligible for benefits from a particular employer's account.

4. He must be physically able to work and available for work.

A person's health must be good enough to be able to do some work. He must be substantially in the job market and looking for work.

5. He must serve a waiting-period week.

A person must put in one week a year in which he meets all the eligibility requirements for unemployment compensation, but he does not get paid for that one week.

6. He must register each week at a state employment office.

A laid-off worker must register at the Wisconsin State Employment

Office (or some other state employment office) each week he expects to get unemployment compensation.

7. He must report and pick up a claim form from an unemployment compensation office.

A person filing for unemployment compensation must report and pick up a claim form from the unemployment compensation department each week. This is in addition to registering for work. Both visits are necessary.

8. He must return a claim form after each week is over.

After each week of unemployment, the person must return his unemployment compensation claim form (UC 17) to the unemployment compensation department.

Example: A person reports to an unemployment compensation office during his first week of lay-off. At that time, he picks up a claim form applying to that week. But he cannot turn it in that week because he does not know if he will end up doing any work that week. The unemployment compensation law defines a week as ending at midnight on Saturday. Since it is always possible he could work on Saturday, he cannot fill out the claim form accurately until after the close of the week. Therefore, he turns it in on his second visit to the unemployment compensation office. At that time, he picks up a new claim form, covering the second week of unemployment, which he will turn in the third week of unemployment, etc.

Q. WHEN A PERSON HAS TO ESTABLISH A WAITING PERIOD, DO YOU SEE WHY HE MAY NOT GET HIS FIRST CHECK UNTIL HIS FOURTH WEEK OF UNEMPLOYMENT?

9. He must not be disqualified under any other section of the law. (See Section H. on disqualifications.)

D. <u>How much are benefits?</u>

The top benefit rate is $59.00 for the first six months of 1967.

1. The top benefit rate of $59.00 is paid to persons who start their claim after January 1, 1967, and who average $118.00 per week or over. No matter how high a person's earnings, he cannot receive a higher benefit rate. This top rate is set by law to represent 52½% of the average weekly wages of all covered workers in the state. It is re-figured every six months for new claims.

Q. DO YOU THINK $59.00 IS AN ADEQUATE AMOUNT OF MONEY FOR THE TOP RATE? WOULD YOU ADVOCATE A DEPENDENT'S ALLOWANCE?

2. Lower benefit rates are figured at 50% of the person's average weekly wage with an employer.

Q. WHAT WOULD A PERSON'S BENEFIT RATE BE WHO AVERAGES $110.00 A WEEK?

E. How long do benefits last?

Thirty-four weeks is the longest a person can draw unemployment benefits. This is based on at least 43 weeks of work in the previous year. If a person has worked less than 43 weeks, the number of weeks he can draw benefits is scaled down accordingly. Every time a person works for an employer, he builds up benefit rights. He may be entitled to as little as one-half week of benefits or as many as thirty-four depending on how long he worked for a particular employer.

Q. WHAT HAPPENS TO THE LONG-TERM UNEMPLOYED -- GENERALLY SOMEONE OVER 50 WHO IS UNSKILLED? SHOULD THE STATE PROGRAM PAY MORE THAN 34 WEEKS? SHOULD THE FEDERAL GOVERNMENT STEP IN WITH SOME KIND OF PROGRAM?

F. Partial and Full Unemployment

If a person earns less than his benefit rate for a particular week (either in the form of wages, holiday pay, vacation pay, etc.), he is still entitled to unemployment compensation, either in the form of a whole check or a half-check. If his earnings are less than one-half of his benefit rate, he is entitled to a full check. If his earnings fall between one-half and all of his benefit rate, he is entitled to a half-check.

G. Wages Must be Reported Accurately

The gross amount of wages received for a given week must be reported accurately on the claim form for that week. Wages include holiday pay, vacation pay, dismissal pay, salaries, bonuses, incentives, board, room and anything of value received from an employer for services performed. Failure to report wages is usually considered a fraudulent claim for unemployment compensation. Penalties include cancellation of future weeks of unemployment compensation, possible fines and even jail sentences.

1. All wages and any job offer must be reported for the week in which

the wages or job offer occurred.

2. Vacation pay must be reported for the week or weeks which are being considered the weeks of vacation, regardless of when the person receives the check for his vacation.

H. Disqualification Sections of the Law

The unemployment compensation law in Wisconsin has a harsh or restrictive disqualification section designed to deny unemployment compensation to persons under special circumstances. In certain types of cases, such as a quit without good cause or a discharge for misconduct, it is up to the employer to raise the denial issue. If benefits are finally denied after an investigation and possible appeals, and if this is the only employer in the picture, then all potential benefits are wiped out. There is no possibility of drawing benefits based on a person's work for that employer.

Q. UNDER SOME STATE LAWS, BENEFITS ARE ONLY SUSPENDED FOR SIX WEEKS AFTER WHICH THE CLAIMANT CAN DRAW BENEFITS BASED ON HIS PAST WORK FOR THAT EMPLOYER. WHAT ARE THE PRO'S AND CON'S OF EACH SYSTEM?

The following pages explain briefly the important disqualification sections of the law.

1. If a person quits a job without good cause, benefits are denied.

If a person does not have a compelling reason for quitting, benefits are denied. However, if an employee can prove he quit for one of the following reasons, he can get benefits.

a) If he quits to take another job and works in seven subsequent weeks

b) If he quits because he was physically unable to do the work assigned to him, but he can do other general work

c) If he quits because of the health of a member of his immediate family, and he is now available for work

d) If he quits for good cause attributable to the employer (such as--if the employer moves out of town)

2. If a person is discharged for misconduct connected with his employment, benefits are denied.

A discharge for misconduct is a serious event. Sometimes the

employer has ample proof of misconduct, but other times, it is a borderline case depending upon how you evaluate the events leading up to the discharge.

a) Misconduct is loosely defined as any wilful, deliberate or substantial disregard of the employer's interests. This could include excessive absenteeism, tardiness, gross negligence, theft, dishonesty, drunkeness, insubordination, etc.

b) A discharge for inefficiency is not grounds on which to deny unemployment compensation. If an employee is discharged because he is unable to meet the production standards required by the employer, he is still eligible for benefits.

3. If a person refuses a job referral or refuses a job offer without good cause, benefits are suspended.

a) A person is allowed a six-weeks canvas period to canvas the labor market for a job of equal skill and comparable rate of pay to his previous job. During these six weeks, if the Employment Service refers him to a job, or if he receives a job offer on his own, he can turn it down only if it does not compare favorably to his former job.

b) After six weeks, a person has to look for and take a lesser job. He is expected to take any work so long as it does not pay a sub-standard rate of pay or have other sub-standard conditions connected with it.

4. If a person fails to return to work on a recall, benefits are denied.

If a person is unemployed and fails to return to work at the time of recall, benefits are denied. If the employer could not notify the employee of the recall because of a faulty or outdated address, this is considered the employee's fault.

5. If a person is physically unable to work or substantially unavailable for work, benefits are suspended.

No one can get unemployment compensation benefits if he is in poor health and unable to work or if other personal circumstances keep him from working. As soon as he can do some work again, benefits can be paid.

6. If a person has been notified by his employer of further work available in a particular week, but he does not do all the work there is available to him, benefits are denied.

Example: If a person has been on layoff and called in to work on Thursday and Friday, but doesn't start back until Friday (no matter what the reason), benefits are denied for that week if the employer raises the issue. Even if the employee could have earned only partial wages on Thursday and Friday, he is not entitled to any benefits for that week.

7. If a woman is laid-off and is pregnant, she can get benefits up to a certain suspension period.

A pregnant woman who is able to work can get benefits up until ten weeks prior to the week the child is expected. Benefits are then suspended until four weeks after the week the child is born and until she notifies her employer that she is willing to work again.

8. If a person is unemployed because of a strike in the establishment where he is employed, benefits are denied. Strikers cannot get unemployment compensation and neither can anyone else employed by the firm.

Q. IN NEW YORK STATE, STRIKERS CAN GET UNEMPLOYMENT AFTER SIX WEEKS. DO YOU THINK THIS IS REASONABLE?

I. Appeal Procedure

In every case of a disputed claim for unemployment compensation, the department goes to great lengths to try to determine the merits of the case. An investigation is made and an initial determination is issued, either allowing or denying benefits. A person has a perfect right to appeal any adverse decision all the way to the Industrial Commission, without charge to him. He can be represented by a union official or lawyer at any step of the way. The following are steps in the appeal procedure:

1. After an Initial Determination is mailed, the person has ten days to file an appeal. He can do this by going to his unemployment compensation office and they will help him fill out the appeal form, or he can do it himself. But it must be done within ten days of the mailing date.

2. A hearing is scheduled and a notice of the hearing is sent to both the worker and the employer. The hearing is conducted by a trial examiner representing the Industrial Commission. He tries to get all the facts on the table. This is the only hearing that will be held, no matter how far up the case is appealed. The person appealing should bring all information and evidence supporting his objection to the Initial Determination. If a person is represented by a lawyer, the lawyer can only charge 10 per cent of the maximum benefits at issue in the case.

3. The trial examiner issues an Appeal Tribunal Decision. If the worker disagrees with this decision, he has ten days to appeal the case to the Industrial Commission. The procedure in filing this appeal is the same as in filing the first appeal. The Industrial Commission will issue a decision and notify the parties to the dispute.

4. Any further appeal is through the courts. So far the appeal

precedure has been part of the unemployment compensation procedure, but a further appeal goes to the Circuit Court of Dane County and then to the Wisconsin State Supreme Court. Both higher levels require hiring a lawyer.

J. Some Proposed Changes in Wisconsin's Unemployment Compensation Law

A number of changes have been proposed in Wisconsin's Unemployment Compensation Law and in the federal law which controls all the state programs (under the Social Security Act). These changes would mean an inevitable raise in the payroll tax and, therefore, have been opposed by most employer groups. There has been a continuing tugging and hauling in Congress and in State legislatures between these forces which would like unemployment compensation to pay substantially higher benefits and cover more workers and those forces which oppose any such extensions. Arthur Altmeyer, one-time administrator of the Social Security Act, estimates that average unemployment compensation benefits pay only 35 per cent of the average loss in wages and 20 per cent of the workers have no coverage. The AFL-CIO nationally have taken a strong position for strengthening unemployment compensation programs across the country. In order for unemployment compensation to be a more current and vital program, continuing political pressure will have to come from unions and working people who are most affected by the inadequacies of the program.

Following are some changes which have been proposed for the unemployment compensation program in Wisconsin:

1. Extend coverage to employers with one or more employees.

The law now applies to employers with four or more employees. Persons working for smaller firms (from one to three employees) should be eligible for benefits. (Change Section 108.02 (4) (d))

2. Extend coverage to include non-profit, charitable, religious and agricultural enterprises.

Persons working for hospitals and other denominational institutions need coverage. Farm workers are in particular need of protection against seasonal layoffs. Farms which employ four or more persons

should cover their workers with unemployment compensation as they have been required to do under workmen's compensation. (Change Section 108.02 (4) (a))

3. Increase the wage-base on which the employer tax is paid from $3,600 to $5,600.

In order to finance a broader program of unemployment comepnsation, additional revenues should be raised by increasing the wage-base on which employer taxes are paid. Under the present law, only the first $3,600 of each employee's wages are taxed. This should be increased to $5,600 which is less than the wage-base used in applying the Social Security tax. (Change Section 108.02 (8) (b))

4. Eliminate the one-week waiting period.

The one-week waiting period is an annoyance and causes unnecessary delay in receiving benefits. The program should be in good enough financial condition to be able to pay benefits for the first week of unemployment. (Change Section 108.04 (3))

5. Eliminate the provision which cancels out all benefits in the cases of discharge for misconduct or a quit without good cause.

Under Wisconsin law, if an employee is found to be discharged for misconduct or have quit without good cause, all known potential claim for benefits is wiped out if there is only one employer. It is felt that the maximum penalty should be a delay of benefits rather than a denial. If an employee is still unemployed after six weeks. After that time, his continuing unemployment is caused by lack of job opportunities in the labor market and he should not be further penalized by his own conduct in quitting or being discharged. (Change Sections 108.04 (5) and (7) (a))

6. Extend unemployment compensation benefits beyond 34 weeks for the long-term unemployed.

Under a strengthened federal-state program of unemployment compensation, additional benefits would go to those who use up all their state allowance. Payments should continue up to 52 weeks, if needed, so long as the unemployed worker maintains his eligibility. Benefits should be payable during an approved training period.

7. Increase the maximum benefit rate.

Under the law, an individual's benefit rate is supposed to be 50 per cent of his average weekly wage. However, there is a maximum benefit rate which places a limitation on this formula. The maximum benefit rate is based on 52½ per cent of the average weekly wages of all covered workers in the State. For those who fall within this 52½ per cent, it is true that their benefit rate will amount to 50 per cent of their average weekly wage. But for the higher paid workers, they will receive a progressively smaller proportion of their wage loss. In order to attain a benefit rate of 50 per cent for the majority of these higher paid workers, the maximum benefit rate should be increased to 66 and 2/3 per cent of the average

weekly wage in the State. (Change Section 108.05 (2) (c))

8. Eliminate the provision which requires the Industrial Commission to oppose further strengthening of federal standards.

This little known section of the law makes it mandatory that the Director of the Unemployment Compensation Law, or through some other representative of the Industrial Commission, oppose any further strengthening of federal standards over state unemployment compensation programs. The Industrial Commission is directed to lobby against federal standards, a position opposed by the AFL-CIO. (Change Section 108.14 (14))

School for Workers
University Extension
Milwaukee, Wisconsin

Useful Criteria in the Identification
of
Certain Occupational Health Hazards

Compiled by

DIVISION OF INDUSTRIAL HYGIENE
UTAH STATE DEPARTMENT OF HEALTH

1942

INTRODUCTION

THE information presented in this pamphlet has been compiled from a number of scientific sources, much of which has been copied verbatum. The only purpose and excuse for this effort is that it brings together under one cover and in a simple and usable form certain information to aid and guide plant management, the physician, the industrial hygienist, compensation officials, etc.

This information is not to be accepted as being conclusive since there is still a great amount of scientific research necessary before the effects of many industrial hazards are definitely known.

Those who are interested in more detailed information relative to the causes and effects of specific hazards are referred to the original sources of these data and to numerous other authoritative books, reprints and reports which are available in the industrial hygiene library of the Utah State Department of Health.

The compilers wish to acknowledge their indebtedness to the following authors and organizations from whose published works this information was compiled and also all those contributing to these publications: The U. S. Public Health Service, U. S. Department of Labor, California State Department of Industrial Relations, Medical Research Council of the Industrial Health Research Board, the Fidelity and Casualty Company of New York, Chemical and Metallurgical Engineering, M. B. Jacobs, Louis Schwartz, and Louis Tulipan.

The detailed work of this compilation was carried out by Dr. J. L. Jones, Director, Mr. Jack Neal, Engineer, and Mr. Robert L. Peterson, Chemist, Industrial Hygiene Division, Utah State Department of Health

This pamphlet has been prepared in five major sections as follows:

Section I. Classification of potential hazards by chief industry.

Section II. Classification of potential hazards by occupation.

Section III. Important physical properties and principal uses of certain toxic substances with chief diagnostic signs and symptoms of injury or other disabilities.

Section IV. Miscellaneous hazards of occupation with chief diagnosic signs and symptoms of injury or other disabilities.

Section V. Occupational dermatoses.

Section VI. Table of chemical warfare agents showing persistency, toxicity, physiological action, and first aid.

Section VII. Oral manifestations of occupational disease.

In view of this grouping, there is of necessity a certain amount of duplication.

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SECTION I.

CLASSIFICATION OF POTENTIAL HAZARDS BY CHIEF INDUSTRIES

CLASSIFICATION OF POTENTIAL HAZARDS BY CHIEF INDUSTRIES*

Advertising Signs and Novelties Manufacture (not exclusively wood, metal or celluloid)

Acetaldehyde or its compounds
Acetanilide or its compounds
Acids and alkalies, N. O. C.**
Aniline
Arsenic or its compounds
Benzol or its compounds
Benzol or its nitro, nitroso and amino derivatives
Cadium or its compounds
Chromium or its compounds
Dermatitis venenata
Friction (pressure or vibration)
Halogenated hydrocarbons
Lead or its compounds
Mercury or its compounds
Methanol
Silicon dioxide
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitroso and amino derivatives
Zinc and its compounds

Airplane and Airplane Parts Manufacture

Acetanilide or its compounds
Acids and alkalies, N. O. C.
Aniline
Benzol or its nitro, nitroso and amino derivatives
Cadmium or its compounds
Carbon monoxide
Chromium or its compounds
Cyanogen or its compounds
Dermatitis venenata
Friction (pressure or vibration)
Halogenated hydrocarbons
Lead or its compounds
Magnesium
Manganese or its compounds
Methanol
Nitrogen oxides
Oil (mineral or paraffin)
Petroleum products or their fumes
Radium eminations
Roentgen rays
Silicon dioxide
Toluol or its nitro, nitroso and amino derivatives
Zinc and its compounds

Animal By-Products Plants

Acrolein
Anthrax
Benzol or its nitro, nitroso and amino derivatives
Carbon bisulfide
Cyanogen or its compounds
Dermatitis venenata
Glanders
Hydrogen sulphide
Petroleum products or their fumes
Xylol or its nitro, nitroso and amino derivatives

Arms Manufacture

Acids and alkalies, N. O. C.
Antimony or its compounds
Benzol or its nitro, nitroso and amino derivatives
Cadmium or its compounds
Chromium or its compounds
Cyanogen or its compounds
Dermatitis venenata
Halogenated hydrocarbons
Lead or its compounds
Mercury or its compounds
Nitrogen oxides
Nitroglycerin
Petroleum products or their fumes
Phosphorous or its compounds
Roentgen rays
Silicon dioxide
Sulphur dioxide
Zinc and its compounds

Artificial Silk Manufacture

Acids and alkalies, N. O. C.
Ammonia
Aniline
Carbon bisulfide
Chlorine or its compounds
Cyanogen or its compounds
Dermatitis venenata
Halogenated hydrocarbons
Hydrogen sulphide
Lead or its compounds
Methanol
Nitrogen dioxide
Sulphur dioxide

Asbestos Good Manufacture

Benzol or its nitro, nitroso and amino derivatives
Dermatitis venenata
Tellurium or its compounds
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitroso and amino derivatives

Automobile Body Manufacture

Acetaldehyde or its compounds
Anthrax
Arsenic or its compounds
Benzol or its nitro, nitroso and amino derivatives
Cadmium or its compounds
Chromium or its compounds
Halogenated hydrocarbons
Lead or its compounds
Methanol
Silicon dioxide
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitroso and amino derivatives
Zinc and its compounds

Automobile Garages or Repair Shops

Acids and alkalies, N. O. C.
Carbon monoxide
Dermatitis venenata
Lead or its compounds
Methanol
Oil (mineral or paraffin)
Petroleum products or their fumes

Automobile Radiator Manufacture

Acids and alkalies, N. O. C.
Benzol or its nitro, nitroso and amino derivatives
Cadmium or its compounds
Carbon monoxide
Chromium or its compounds
Dermatitis venenata
Friction (pressure or vibration)
Lead or its compounds
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitroso and amino derivatives
Zinc and its compounds

Battery Manufacture

Acids and alkalies, N. O. C.
Antimony or its compounds
Benzol or its nitro, nitroso and amino derivatives
Cadmium or its compounds
Chromium or its compounds
Dermatitis venenata
Lead or its compounds
Manganese or its compounds
Mercury or its compounds
Pitch
Tar
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitroso and amino derivatives

Beverages Manufacture

Acids and alkalies, N. O. C.
Chlorine or its compounds
Dermatitis venenata

Bootblacking and Hat Cleaning Establishments

Acetanilide or its compounds
Ammonia
Aniline
Benzol or its nitro, nitroso and amino derivatives
Carbon monoxide
Dermatitis venenata

*Industries are arranged alphabetically and designated in bold type. **N. O. C. (Not Otherwise Classified)

PAGINATION INCORRECT

Halogenated hydrocarbons
Methanol
Petroleum products or their fumes
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitroso and amino derivatives

Brass or Coppper Goods Manufacture
Acids and alkalies, N. O. C.**
Antimony or its compounds
Arsenic or its compounds
Benzol or its nitro, nitroso and amino derivatives
Cadmium or its compounds
Carbon dioxide
Carbon monoxide
Chromium or its compounds
Cyanogen or its compounds
Dermatitis venenata
Halogenated hydrocarbons
Lead or its componds
Silicon dioxide
Sulphur dioxide
Toluol or its nitro, nitroso and amino derivatievs
Xylol or its nitro, nitroso and amino derivatives
Zinc and its compounds

Breweries
Carbon dioxide
Dermatitis venenata
Fluorine and its compounds
Phenol and its compounds
Sulphur dioxide

Button Manufacture
Acetaldedhyde or its compounds
Acids and alkalies, N. O. C.
Dermatitis venenata
Lead or its compounds
Mercury or its compounds

Cable and Wire Insulating
Antimony or its compounds
Benzol or its nitro, nitroso and amino derivatives
Bitumen
Carbon tetrachloride
Dermatitis venenata
Halogenated hydrocarbons
Lead or its compounds
Pitch
Tar
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitroso and amino derivatives

Cable and Wire Manufacture
Acids and alkalies, N. O. C.
Carbon monoxide
Cyanogen or its compounds
Dermatitis venenata
Lead or its compounds
Oil (mineral or paraffin)
Petroleum products or their fumes
Zinc and its compounds

Candy Manufacture
Dermatitis venenata

Carbon Paper or Typewriter Ribbon Manufacturing
Benzol or its nitro, nitroso and amino derivatives
Dermatitis venenata
Halogenated hydrocarbons
Methanol
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitroso and amino derivatives

Carpet or Rug Manufacture
Aniline
Anthrax
Arsenic or its compounds
Dermatitis venenata
Friction (pressure or vibration)
Glanders
Halogenated hydrocarbons

Ceramics Manufacture
Anitimony or its compounds
Arsenic or its compounds
Benzol or its nitro, nitroso and amino derivatives
Chromium or its compounds
Dermatitis venenata
Fluorine and its compounds
Friction (pressure or vibration)
Lead or its compounds
Manganese or its compounds
Mercury or its compounds
Petroleum products or their fumes
Selenium or its compounds
Silicon dioxide
Sulphur dioxide
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitroso and amino derivatives

Cigar and Cigarette Manufacture
Carbon dioxide
Dermatitis venenata
Friction (pressure or vibration)

Cleaning and Dyeing Establishments
Acetaldehyde or its compounds
Acetanilide or its compounds
Acids and alkalies, N. O. C.
Ammonia
Aniline
Antimony or its compounds
Arsenic or its compouds
Benzol or its nitro, nitroso and amino derivatives
Carbon bisulfide
Carbon tetrachloride
Chromium or its compounds
Dermatitis venenata
Friction (pressure or vibration)
Halogenated hydrocarbons
Hydrogen sulphide
Lead or its compounds
Manganese or its compounds
Methanol
Petroleum products or their fumes
Picric acid
Toluol or its nitro, nitroso and amino derivatives
Vanadium or its compounds
Xylol or its nitro, nitroso and amino derivatives

Clock and Watch Manufacture
Acids and alkalies, N. O. C.
Chromium or its compounds
Dermatitis venenata
Lead or its compounds
Radium eminations
Silicon dioxide

Coke Manufacture (Coal tar products)
Acetanilide or its compounds
Acids and alkalies, N. O. C.
Ammonia
Aniline
Arsenic or its compounds
Benzol or its nitro, nitroso and amino derivatives
Bitumen
Carbon monoxide
Chromium or its compounds
Cresols
Cyanogen or its compounds
Dermatitis venenata
Phenol and its compounds
Pitch
Sulphur dioxide
Tar
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitroso and amino derivatives

Contractors (all kinds, N. O. C.)
Bitumen
Carbon monoxide
Dermatitis venenata
Friction (pressure or vibration)
Lead or its compounds
Methyl choloride
Pitch
Poisonous plants
Silicon dioxide
Tar

Cosmetics and Dentifrices Manufacture
Acetanilide or its compounds
Acids and alkalies, N. O. C.
Dermatitis venenata
Halogenated hydrocarbons
Mercury or its compounds
Methyl chloride
Phenol and its compounds

Dairy Products Manufacture
Acids and alkalies, N. O. C.
Carbon dioxide
Chlorine or its compounds
Dermatitis venenata
Friction (pressure or vibration)

*Industries are arranged alphabetically and designated in bold type. **N. O. C. (Not Otherwise Classifie.)

Distilleries
- Carbon dioxide
- Dermatitis venenata
- Methanol

Drugs, Medicine, and Pharmaceutical Preps. Mfg. (not ingredients mfg.)
- Acetanilide or its compounds
- Aniline
- Arsenic or its compounds
- Benzol or its nitro, nitroso and amino derivatives
- Carbon bisulfide
- Carbon tetrachloride
- Dermatitis venenata
- Lead or its compounds
- Manganese or its compounds
- Mercury or its compounds
- Methanol
- Oil (mineral or paraffin)
- Radium eminations
- Tellurium or its compounds
- Toluol or its nitro, nitroso and amino derivatives
- Xylol or its nitro, nitroso and amino derivatives

Electric Apparatus Manufacture (and fixtures)
- Acids and alkalies, N. O. C.**
- Antimony and its compounds
- Benzol or its nitro, nitroso and amino derivatives
- Cadmium and its compounds
- Carbon tetrachloride
- Chromium or its compounds
- Cyanogen or its compounds
- Dermatitis venenata
- Friction (pressure or vibration)
- Halogenated hydrocarbons
- Lead or its compounds
- Mercury or its compounds
- Methanol
- Pitch
- Roentgen rays
- Selenium or its compounds
- Silicon dioxide
- Tar
- Toluol or its nitro, nitroso and amino derivatives
- Xylol or its nitro, nitroso and amino derivatives
- Zinc and its compounds

Electric Light and Power Co. (all operations)
- Acids and alkalies, N. O. C.
- Carbon monoxide
- Cresols
- Dermatitis venenata
- Halogenated hydrocarbons
- Lead or its compounds
- Ozone
- Zinc and its compounds

Explosives Manufacture
- Acetaldehyde or its compounds
- Acetanilide or its compounds
- Acids and alkalies, N. O. C.
- Ammonia
- Aniline
- Antimony or its compounds
- Benzol or its nitro, nitroso and amino derivatives
- Carbon bisulphide
- Carbon dioxide
- Chlorine or its compounds
- Chromium or its compounds
- Cresols
- Cyanogen or its compounds
- Dermatitis venenata
- Halogenated hydrocarbons
- Lead or its compounds
- Manganese or its compounds
- Mercury or its compounds
- Methanol
- Nitrogen oxides
- Nitroglycerin
- Phenol and its compounds
- Phosphorus or its compounds
- Picric acid
- Toluol or its nitro, nitroso and amino derivatives
- Xylol or its nitro, nitroso and amino derivatives

Exterminating and Fumigating, Including Their Manufacture
- Acids and alkalies. N. O. C.
- Arsenic or its compounds
- Carbon bisulphide
- Carbon tetrachloride
- Chlorine or its compounds
- Cresols
- Cyanogen or its compounds
- Dermatitis venenata
- Lead or its compounds
- Sulphur dioxide

Fertilizer Manufacture
- Acids and alkalies, N. O. C.
- Ammonia
- Anthrax
- Arsenic or its compounds
- Benzol or its nitro, nitroso and amino derivatives
- Carbon dioxide
- Cyanogen or its compounds
- Dermatitis venenata
- Fluorine and its compounds
- Glanders
- Nitrogen oxides
- Phosphorus or its compounds
- Silicon dioxide
- Sulphur dioxide
- Toluol or its nitro, nitroso and amino derivatives
- Xylol or its nitro, nitroso and amino derivatives

Foodstuffs (preparation and handling)
- Acetaldehyde or its compounds
- Acrolein
- Ammonia
- Anthrax
- Carbon dioxide
- Dermatitis venenata
- Glanders
- Zinc and its compounds

Foodstuffs (canning)
- Benzol or its nitro, nitroso and amino derivatives
- Dermatitis venenata
- Lead or its compounds
- Toluol or its nitro, nitroso and amino derivatives
- Xylol or its nitro, nitroso and amino derivatives

Foundries (Aluminum, brass, or other non-ferrous metals)
- Acrolein
- Antimony or its compounds
- Arsenic or its compounds
- Cadmium or its compounds
- Carbon dioxide
- Carbon monoxide
- Carbon tetrachloride
- Cresols
- Cyanogen or its compounds
- Dermatitis venenata
- Halogenated hyrocarbons
- Lead or its componds
- Magnesium
- Phosphorus or its compounds
- Pitch
- Roentgen rays
- Selenium or its compounds
- Silicon dioxide
- Sulphur dioxide
- Zinc and its compounds

Foundries (iron and steel)
- Acids and alkalies, N. O. C.
- Acrolein
- Carbon dioxide
- Carbon monoxide
- Carbon tetrachloride
- Chromium or its compounds
- Cresols
- Cyanogen or its compounds
- Dermatitis venenata
- Manganese or its compounds
- Pitch
- Roentgen rays
- Selenium or its compounds
- Silicon dioxide
- Vanadium or its compounds

Fur and Animal Handling (excl. hatters' fur)
- Acetanilide or its compounds
- Anthrax
- Arsenic or its compounds
- Dermatitis venenata
- Glanders
- Lead or its compounds
- Mercury or its compounds

Furniture Manufacture
- Acetaldehyde or its compounds
- Benzol or its nitro, nitroso and amino derivatives
- Chromium or its compounds
- Dermatitis venenata
- Friction (pressure or vibration)
- Halogenated hydrocarbons
- Lead or its compounds
- Methanol
- Petroleum products or their fumes
- Silicon dioxide
- Toluol or its nitro, nitroso and amino derivatives
- Xylol or its nitro, nitroso and amino derivatives

*Industries are arranged alphabetically and designated in bold type. **N. O. C. (Not Otherwise Classified)

Garage Works (including rendering and incineration)
- Acids and alkalies, N. O. C.**
- Acrolein
- Ammonia
- Chlorine or its compounds
- Dermatitis venenata
- Hydrogen sulphide

Gas Works (illuminating)
- Acids and alkalies N. O. C.
- Ammonia
- Benzol or its nitro, nitroso and amino derivatives
- Carbon monoxide
- Cresols
- Cyanogen or its compounds
- Dermatitis venenata
- Fluorine and its compounds
- Friction (pressure or vibration)
- Hydrogen sulphide
- Pitch
- Tar
- Toluol or its nitro, nitroso and amino derivatives
- Xylol or its nitro, nitroso and amino derivatives

Gasoline and Oil Bulk Stations
- Carbon monoxide
- Dermatitis venenata
- Friction (pressure or vibration
- Lead or its compounds
- Oil (mineral or paraffin)
- Petroleum products or their fumes

Glass Products Manufacture (incl. coloring)
- Acetaldehyde or its compounds
- Acids and alkalies, N. O. C.
- Ammonia
- Antimony or its compounds
- Arsenic or its compounds
- Cadmium or its compounds
- Carbon bisulfide
- Chromium or its compounds
- Cyanogen or its compounds
- Dermatitis venenata
- Fluorine and its compounds
- Lead or its compounds
- Manganese or its compounds
- Mercury or its compounds
- Methanol
- Petroleum products or their fumes
- Selenium or its compounds
- Silicon dioxide
- Sulphur dioxide
- Tellurium or its compounds

Gold Leaf Manufacture
- Dermatitis venenata
- Friction (pressure or vibration)

Grain Mills
- Dermatitis venenata
- Organic dust

Hairdressing and Barbering
- Arsenic or its compounds
- Dermatitis venenata
- Friction (pressure or vibration)

Hardware Manufacture
- Acids and alkalies, N. O. C.
- Arsenic or its compounds
- Cadmium or its compounds
- Carbon monoxide
- Carbon tetrachloride
- Chromium or its compounds
- Cyanogen or its compounds
- Dermatitis venenata
- Halogenated hydrocarbons
- Lead or its compounds
- Mercury or its compounds
- Silicon dioxide
- Zinc and its compounds

Hat Manufacture (not straw or cloth, but incl. millinery)
- Acetanilide or its compounds
- Acids and alkalies, N. O. C.
- Aniline
- Arsenic or its compounds
- Benzol or its nitro, nitroso and amino derivatives
- Carbon monoxide
- Dermatitis venenata
- Mercury or its compounds
- Methanol
- Nitrogen oxides
- Petroleum products or their fumes
- Toluol or its nitro, nitroso and amino derivatives
- Xylol or its nitro, nitroso and amino derivatives

Hat Manufacture (straw, incl. millinery)
- Acetanilide or its compounds
- Acids and alkalies, N. O. C.
- Acrolein
- Aniline
- Arsenic or its compounds
- Chlorine or its compounds
- Dermatitis venenata
- Halogenated hydrocarbons
- Methanol
- Petroleum products or their fumes
- Sulphur dioxide
- Zinc and its compounds

Hatters Fur Manufacture
- Acids and alkalies, N. O. C.
- Anthrax
- Arsenic or its compounds
- Dermatitis venenata
- Glanders
- Mercury or its compounds
- Nitrogen oxides

Ice Manufacture and Harvesting
- Ammonia
- Carbon dioxide
- Chlorine or its compounds
- Dermatitis venenata
- Sulphur dioxide

Instrument Manufacture (professional or scientific)
- Acids and alkalies, N. O. C.
- Cadmium or its compounds
- Chromium or its compuonds
- Cyanogen or its compounds
- Dermatitis venenata
- Halogenated hydrocarbons
- Mercury or its compounds
- Radium eminations
- Roentgen rays
- Selenium or its compounds
- Silicon dioxide
- Zinc and its compounds

Jewelry Manufacture
- Acetaldehyde or its compounds
- Acids and alkalies, N. O. C.
- Cyanogen or its compounds
- Dermatitis venenata
- Friction (pressure or vibration)
- Halogenated hydrocarbons
- Lead or its compounds
- Mercury or its compounds
- Nitrogen oxides
- Silicon dioxide

Junk (incl. old metal and rag sorting)
- Dermatitis venenata
- Lead or its compounds

Laundries
- Acids and alkalies, N. O. C.
- Ammonia
- Carbon monoxide
- Chlorine or its compounds
- Dermatitis venenata
- Friction (pressure or vibration)
- Ozone

Lead Works (sheet, pipe, shot, excl. smelting)
- Antimony or its compounds
- Arsenic or its compounds
- Carbon monoxide
- Chlorine or its compounds
- Dermatitis venenata
- Lead or its compounds
- Pitch
- Sulphur dioxide
- Tar

Leather Goods Manufacture
- Ammonia
- Anthrax
- Benzol or its nitro, nitroso and amino derivatives
- Dermatitis venenata
- Friction (pressure or vibration)
- Glanders
- Mercury or its compounds
- Methanol
- Petroleum products or their fumes
- Toluol or its nitro, nitroso and amino derivatives
- Vanadium or its compounds
- Xylol or its nitro, nitroso and amino derivatives

*Industries are arranged alphabetically and designated in bold type. **N. O. C. (Not Otherwise Classified)

Leather Manufacture (including tanning)
- Acetanilide or its compounds
- Acids and alkalies, N. O. C.**
- Ammonia
- Aniline
- Anthrax
- Arsenic or its compounds
- Benzol or its nitro, nitroso and amino derivatives
- Carbon dioxide
- Chromium or its compounds
- Cyanogen or its compounds
- Dermatitis venenata
- Glanders
- Hydrogen sulphide
- Lead or its compounds
- Mercury or its compounds
- Methanol
- Petroleum products or their fumes
- Phenol and its compounds
- Picric acid
- Sulphur dioxide
- Toluol or its nitro, nitroso and amino derivatives
- Vanadium or its compounds
- Xylol or its nitro, nitroso and amino derivatives

Lime Kilns and Cement Kilns
- Acids and alkalies, N. O. C.
- Arsenic or its compounds
- Carbon dioxide
- Carbon monoxide
- Dermatitis venenata
- Silicon dioxide

Machine Shops (incl. forging excl. foundry)
- Acids and alkalies, N. O. C.
- Carbon monoxide
- Cyanogen or its compounds
- Dermatitis venenata
- Lead or its compounds
- Oil (mineral or paraffin)
- Petroleum products or their fumes
- Roentgen rays
- Zinc and its compounds

Machinery Manufacture, N. O. C.
- Acids and alkalies, N. O. C.
- Ammonia
- Antimony or its compounds
- Cadmium or its compounds
- Carbon monoxide
- Carbon tetrachloride
- Chromium or its compounds
- Cyanogen or its compounds
- Dermatitis venenata
- Halogenated hydrocarbons
- Lead or its compounds
- Nitrogen oxides
- Roentgen rays
- Silicon dioxide

Mattress and Bed Springs Manufacture
- Acids and alkalies, N. O. C.
- Dermatitis venenata
- Friction (pressure or vibration)

Metal Goods Manufacture
- Acetaldehyde or its compounds
- Acids and alkalies, N. O. C.
- Antimony or its compounds
- Arsenic or its compounds
- Benzol or its nitro, nitroso and amino derivatives
- Cadmium or its compounds
- Chromium or its compounds
- Cyanogen or its compounds
- Dermatitis venenata
- Friction (pressure or vibration)
- Halogenated hydrocarbons
- Lead or its compounds
- Mercury or its compounds
- Methanol
- Methyl chloride
- Petroleum products or their fumes
- Silicon dioxide
- Sulphur dioxide
- Tar
- Toluol or its compounds
- Xylol or its nitro, nitroso and amino derivatives
- Zinc and its compounds

Mining, Coal
- Carbon monoxide
- Dermatitis venenata
- Friction (pressure or vibration)
- Hydrogen sulphide
- Nitrogen oxides
- Silicon dioxide

Mining, Ferrous
- Carbon monoxide
- Dermatitis venenata
- Friction (pressure or vibration)
- Nitrogen oxides
- Silicon dioxide

Mining, Miscellaneous
- Acids and alkalies, N. O. C.
- Bitumen
- Carbon monoxide
- Dermatitis venenata
- Friction (pressure or vibration)
- Hydrogen sulphide
- Nitrogen oxides
- Pitch
- Silicon dioxide
- Sulphur dioxide
- Tar

Mining, Non-Ferrous
- Antimony or its compounds
- Arsenic or its compounds
- Cadmium or its compounds
- Carbon monoxide
- Chromium or its compounds
- Dermatitis venenata
- Friction (pressure or vibration)
- Hydrogen sulphide
- Lead or its compounds
- Manganese or its compounds
- Mercury or its compounds
- Nitrogen oxides
- Selenium or its compounds
- Silicon dioxide
- Vanadium or its compounds

Musical Instrument Manufacture
- Benzol or its nitro, nitroso and amino derivatives
- Cadmium or its compounds
- Chromium or its compounds
- Dermatitis venenata
- Lead or its compounds
- Toluol or its nitro, nitroso and amino derivatives
- Xylol or its nitro, nitroso and amino derivatives

Neon Sign Shops
- Carbon monoxide
- Dermatitis venenata
- Mercury or its compounds

Oil Wells, Oil Refining, and Bulk Stations
- Acetanilide or its compounds
- Acids and alkalies, N. O. C.
- Bitumen
- Carbon bisulfide
- Carbon monoxide
- Dermatitis venenata
- Hydrogen sulphide
- Lead or its compounds
- Oil (mineral or paraffin)
- Petroleum products or their fumes
- Sulphur dioxide
- Tar

Office Machinery Manufacture
- Acids and alkalies, N. O. C.
- Cadmium or its compounds
- Carbon monoxide
- Dermatitis venenata
- Lead or its compounds
- Methanol
- Silicon dioxide
- Zinc and its compounds

Paint, Varnish, Lacquer, Enamel and Shellac Manufacture
- Acetaldehyde or its compounds
- Acetanilide or its compounds
- Acids and alkalies, N. O. C.
- Acrolein
- Ammonia
- Aniline
- Arsenic or its compounds
- Benzol or its nitro, nitroso and amino derivatives
- Bitumen
- Cadmium or its compounds
- Carbon bisulfide
- Carbon tetrachloride
- Chromium or its compounds
- Dermatitis venenata
- Friction (pressure or vibration)
- Halogenated hydrocarbons
- Lead or its compounds

*Industries are arranged alphabetically and designated in bold type. **N. O. C. (Not Otherwise Classified)

Manganese or its compounds
Mercury or its compounds
Methanol
Nitrogen oxides
Petroleum products or their fumes
Phenol and its compounds
Pitch
Silicon dioxide
Tar
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitroso and amino derivatives
Zinc and its compounds

Painting, Varnishing, Lacquering, Enameling, Paper Hanging, Etc.

Acetaldehyde or its compounds
Acetanilide or its compounds
Acids and alkalies, N. O. C.**
Ammonia
Aniline
Arsenic or its compounds
Benzol or its nitro, nitroso and amino derivatives
Bitumen
Carbon bisulfide
Carbon tetrachloride
Chromium or its compounds
Dermatitis venenata
Friction (pressure or vibration
Halogenated hydrocarbons
Lead or its compounds
Manganese or its compounds
Mercury or its compounds
Methanol
Petroleum products or their fumes
Phenol and its compounds
Pitch
Silicon dioxide
Tar
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitroso and amino derivatives
Zinc and its compounds

Paper and Pulp Manufacture

Acids and alkalies, N. O. C.
Arsenic or its compounds
Chlorine or its compounds
Dermatitis venenata
Hydrogen sulphide
Sulphur dioxide

Paper Goods Manufacture

Aniline
Chromium or its compounds
Dermatitis venenata
Friction (pressure or vibration)
Pitch
Tar

Photo-Engraving and Engraving

Acetaldehyde or its compounds
Acids and alkalies, N. O. C.
Arsenic or its compounds
Benzol or its nitro, nitroso and amino derivatives
Chromium or its compounds
Dermatitis venenata
Friction (pressure or vibration)
Lead or its compounds
Mercury or its compounds
Methanol
Nitrogen oxides
Toluol or its nitro, nitroso and amino derivatives
Vanadium or its compounds
Xylol or its nitro, nitroso and amino derivatives
Zinc and its compounds

Photography, X-Ray (including taking, developing and printing)

Acetaldehyde or its compounds
Acetanilide or its compounds
Acids and alkalies, N. O. C.
Aniline
Benzol or its nitro, nitroso and amino derivatives
Chlorine or its compounds
Chromium or its compounds
Cresols
Cyanogen or its compounds
Dermatitis venenata
Lead or its compounds
Mercury or its compounds
Methanol
Phenol and its compounds
Picric acid
Roentgen rays
Selenium or its compounds
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitroso and amino derivatives

Printing (incl. pubishing, lithographing, etc.)

Acetanilide or its compounds
Aniline
Antimony or its compounds
Arsenic or its compounds
Benzol or its nitro, nitroso and amino derivatives
Carbon monoxide
Chromium or its compounds
Cyanogen or its compounds
Dermatitis venenata
Friction (pressure or vibration)
Lead or its compounds
Mercury or its compounds
Methanol
Nitrogen oxides
Petroleum products or their fumes
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitroso and amino derivatives

Quarrying and Mining (sand, gravel, gypsum, limestone granite, etc.)

Carbon monoxide
Chromium or its compounds
Dermatitis venenata
Friction (pressure or vibration)
Hydrogen sulphide
Lead or its compounds
Nitrogen oxides
Silicon dioxide

Rolling Mills (brass, copper, aluminum)

Carbon monoxide
Dermatitis venenata
Lead or its compounds
Roentgen rays

Rolling Mills (iron and steel)

Acids and alkalies, N. O. C.
Acrolein
Carbon monoxide
Chromium or its compounds
Dermatitis venenata
Roentgen rays

Rubber Goods Mfg. (synthetic rubber)

Acetaldehyde or its compounds
Acetanilide or its compounds
Acids and alkalies, N. O. C.
Aniline
Antimony or its compounds
Arsenic or its compounds
Benzol or its nitro, nitroso and amino derivatives
Carbon bisulfide
Carbon tetrachloride
Chlorine or its compounds
Chromium or its compounds
Dermatitis venenata
Halogenated hydrocarbons
Lead or its compounds
Methanol
Petroleum products or their fumes
Silicon dioxide
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitroso and amino derivatives

Saw Mills, Planing Mills, Cabinet Shops

Dermatitis venenata
Friction (pressure or vibration)
Halogenated hydrocarbons
Methanol
Poisonous plants
Silicon dioxide

*Industries are arranged alphabetically and designated in bold type. **N. O. C. (Not Otherwise Classified)

Sewage Disposal Plants
Acids and alkalies, N. O. C.
Ammonia
Carbon dioxide
Carbon monoxide
Chlorine or its compounds
Dermatitis venenata
Hydrogen sulphide

Shell Loading Depots
Dermatitis venenata
Mercury or its compounds
Nitrogen oxides
Nitroglycerin
Picric acid
Toluol or its nitro, nitroso and amino derivatives

Ship Building
Acids and alkalies, N. O. C.**
Cadmium or its compounds
Chlorine or its compounds
Dermatitis venenata
Friction (pressure or vibration)
Lead or its compounds
Pitch
Zinc and its compounds

Shoe and Shoe Sundries Manufacture
Acetanilide or its compounds
Ammonia
Benzol or its nitro, nitroso and amino derivatives
Carbon bisulfide
Dermatitis venenata
Halogenated hydrocarbons
Methanol
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitroso and amino derivatives

Silverware Manufacture
Acids and alkalies, N. O. C.
Anthrax
Dermatitis venenata
Nitrogen oxides

Slaughter and Packing Plants
Anthrax
Dermatitis venenata
Glanders

Smelting and Refining of Metal (ferrous)
Acids and alkalies, N. O. C.
Arsenic or its compounds
Carbon monoxide
Chromium or its compounds
Cyanogen or its compounds
Dermatitis venenata
Lead or its compounds
Manganese or its compounds
Ozone
Silicon dioxide
Vanadium or its compounds
Zinc and its compounds

Smelting and Refining of Metal (non-ferrous)
Acids and alkalies, N. O. C.
Antimony or its compounds
Arsenic or its compounds
Cadmium or its compounds
Carbon bisulfide
Carbon monoxide
Chlorine or its compounds
Cyanogen or its compounds
Dermatitis venenata
Hydrogen sulphide
Lead or its compounds
Magnesium
Manganese or its compounds
Mercury or its compounds
Methanol
Nitrogen oxides
Ozone
Phosphorus or its compounds
Radium eminations
Selenium or its compounds
Silicon dioxide
Sulphur dioxide
Tellurium or its compounds
Zinc and its compounds

Soap or Soap Powder Manufacture
Acids and alkalies, N. O. C.
Acrolein
Ammonia
Benzol or its nitro, nitroso and amino derivatives
Carbon tetrachloride
Cresols
Dermatitis venenata
Hydrogen sulphide
Nitrogen oxides
Pitch
Silicon dioxide
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitroso and amino derivatives

Sporting Goods Manufacture
Acids and alkalies, N. O. C.
Ammonia
Benzol or its nitro, nitroso and amino derivatives
Chromium or its compounds
Dermatitis venenata
Lead or its compounds
Methanol
Silicon dioxide
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitroso and amino derivatives

Steel and Iron Fabrication (Inc. Sheet metal)
Dermatitis venenata
Friction (pressure or vibration)
Lead or its compounds
Roentgen rays

Stone and Mineral Products Manufacture
Dermatitis venenata
Friction (pressure or vibration)
Pitch
Silicon dioxide
Tar

Stores, N. O. C.
Dermatitis venenata

Sugar Refineries
Acids and alkalies, N. O. C.
Carbon dioxide
Chlorine or its compounds
Dermatitis venenata
Silicon dioxide
Sulphur dioxide

Synthetic Resins and Products Manufacture
Acetaldehyde or its compounds
Benzol or its nitro, nitroso and amino derivatives
Carbon bisulfide
Chlorine or its componds
Cresols
Cyanogen or its compounds
Dermatitis venenata
Hydrogen sulphide
Methanol
Phenol and its compounds
Pitch
Selenium or its compounds
Sulphur dioxide
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitrosos and amino derivatives

Textile Manufacture (Inc. wool preparation)
Acids and alkalies, N. O. C.
Anthrax
Carbon bisulfide
Carbon monoxide
Chlorine or its compounds
Dermatitis venenata
Friction (pressure or vibration)
Glanders
Halogenated hydrocarbons
Lead or its compounds

Textile Finishing (Inc. bleaching, dyeing, etc.)
Acetaldehyde or its compounds
Acetanilide or its compounds
Acids and alkalies, N. O. C.
Ammonia
Aniline
Antimony or its compounds
Arsenic or its compounds
Benzol or its nitro, nitroso and amino derivatives
Cadmium or its compounds
Carbon monoxide
Carbon tetrachloride
Chlorine or its compounds
Chromium or its compounds

*Industries are arranged alphabetically and designated in bold type. **N. O. C. (Not Otherwise Classified)

Cyanogen or its compounds
Dermatitis venenata
Hydrogen sulphide
Lead or its compounds
Manganese or its compounds
Mercury or its compounds
Methanol
Nitrogen oxides
Petroleum products or their fumes
Phenol and its compounds
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitroso and amino derivatives

Textile Goods Manufacture

Acids and alkalies, N. O. C.
Arsenic or its compounds
Dermatitis venenata
Friction (pressure or vibration)
Methanol
Pitch
Silicon dioxide

Tobacco Handling

Acids and alkalies, N. O. C.**
Arsenic or its compounds
Dermatitis venenata

Tool Manufacture

Acids and alkalies, N. O. C.
Carbon monoxide
Chromium or its compounds
Dermatitis venenata
Lead or its compounds
Silicon dioxide
Zinc and its compounds

Toys (not exclusively wood, metal, or celluloid)

Acids and alkalies, N. O. C.
Arsenic
Benzol or its nitro, nitroso and amino derivatives
Cadmium or its compounds
Chromium or its compounds
Dermatitis venenata
Halogenated hydrocarbons
Lead or its compounds
Silicon dioxide
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitroso and amino derivatives
Zinc and its compounds

Transportation and Transportation Equipment Repairing

Carbon monoxide
Dermatitis venenata
Friction (pressure or vibration)
Lead or its compounds
Petroleum products or their fumes
Zinc and its compounds

Tire Retreading and Vulcanizing

Acetanilide or its compounds
Aniline
Antimony or its compounds
Benzol or its nitro, nitroso and amino derivatives
Carbon bisulfide
Carbon tetrachloride
Chromium or its compounds
Dermatitis venenata
Halogenated hydrocarbons
Hydrogen sulphide
Lead or its compounds
Methanol
Petroleum products or their fumes
Sulphur dioxide
Toluol or its nitro, nitroso and amino derivatives
Xylol or its nitro, nitroso and amino derivatives

Wood Products Manufacture and Treatment

Acetanilide or its compounds
Acids and alkalies, N. O. C.
Arsenic or its compounds
Chromium or its compounds
Dermatitis venenata
Friction (pressure or vibration)
Halogenated hydrocarbons
Lead or its compounds
Mercury or its compounds
Methanol
Petroleum products or their fumes
Pitch
Silicon dioxide
Tar
Zinc and its compounds

Wool Spinning and Weaving

Dermatitis venenata
Friction (pressure or vibration)

*Industries are arranged alphabetically and designated in bold type. **N. O. C. (Not Otherwise Classified)

SECTION II.

CLASSIFICATION OF POTENTIAL HAZARDS BY OCCUPATION

CLASSIFICATION OF POTENTIAL HAZARDS BY OCCUPATION*

Abrasives Workers
Free silica
Heat
Inorganic dusts (excluding asbestos)
Organic dusts

Acetaldehyde Workers
Acetaldehyde
Mercury and its compounds

Acetanilide Workers
Aniline and other amino, nitro, and nitroso compounds of benzol

Acetic Acid Makers
Hydrochloride acid
Mercury and its compounds

Acetone Workers
Acetone
Mercury and its compounds

Acetylene Workers
Acetone
Ammonia
Arsine
Carbon disulphide
Carbon monoxide
Chloride of Lime
Chromium compounds
Inorganic dust
Phosphine (see also carbide makers and welders)

Acid Dippers
Arsine
Cyanogen compounds
Dampness
Hydrochloric acid
Nitrous fumes and nitric acid
Sulphuric acid

Acid Finishers (glass)
Hydrochloric acid
Lead and its compounds
Sulphuric acid

Acid Makers (see particular acid)

Acridine Workers
Acridine

Acrolein
Acrolein

Actors
Lead and its compounds

Agricultural Workers (see farmers)

Air Hammer Operators
Repeated motion, shock, etc.

Airplane-Dope Makers
Acetone
Amyl acetate
Benzol and its homologues (xylol and toluol)
Carbon tetrachloride
Formic acid
Methyl cellosolve (etheylene glycol, monomethyl ether)
Tetrachlorethene (acetylene tetrachloride)

Airplane-Hanger Employees
Benzine
Benzol
Carbon tetrachloride

Airplane Pilots
Altitude (rarefied air, decreased atmospheric pressure)
Carbon monoxide

Airplane Pilots—Crop Dusting
Altitude (rarefied air, decreased atmospheric pressure)
Arsenic and its compounds
Carbon monoxide
Lead and its compounds

Alcohol Distillery Workers
Amyl acetate
Amyl alcohol
Benzol
Formic acid
Mercury and its compounds
Methanol

Aldehyde Pumpmen
Acetaldehyde
Methanol

Alkali Salt Makers
Carbon dioxide
Chlorine
Dampness
Hydrochloric acid
Hydrogen sulphide
Sulphur dioxide

Alloy Makers
Beryllium
Carbon monoxide
Cobalt
Heat
Magnesium
Manganese
Nickel
Selenium
Vanadium

Aluminum Extractors
Hydrofluoric acid
Manganese

Alum Workers
Sulphuric acid

Amalgam Makers
Mercury and its compounds

Amber Workers
Lead and its compounds

Ammonia Workers
Ammonia
Calcium cyanamide (cyanamide)
Carbon monoxide

Ammonium Salt Makers
Ammonia
Carbon disulphide
Cyanogen and its compounds
Heat
Hydrochloric acid
Sulphuric acid

Ammonium Sulphate Makers
Sulphuric acid

Amyl-Acetate Worker
Amyl-acetate
Amyl alcohol

Amyl Alcohol Workers
Amyl alcohol

Amyl-Nitrite Makers
Amyl alcohol

Aniline Dye Makers (see dye makers)

Aniline Workers
Aniline
Arsine
Benzol and its homologues (xylol and toluol)
Chromium compounds
Hydrochloric acid
Nitro benzol and nitroso compounds of benzol
Nitrous fumes and nitric acid

Animal By-Products Workers
Acrolein
Anthrax and glanders
Dampness
Dermatitis
Fungus infections
Septic infections
Undulent fever

Animal Hair Dressers (see hair workers)

Anmal Handlers
Anthrax and glanders
Fungus infections
Septic infection

Annealers
Ammonia
Heat

Antifreeze Makers
Ethylene glycol
Methanol

Antimony Extractors (refiners)
Antimony
Heat

*Occupations are arranged alphabetically and designated in bold type

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Antimony Fluoride Extractors
Hydrofluoric acid

Antipyrine Makers
Phenyl hydrazine

Arsenic Roasters
Arsenic
Heat

Art-Glass Workers
Amyl acetate
Benzine
Hydrofluoric acid
Lead and compounds
Methanol
Turpentine

Artificial-Amber Makers
Formaldehyde

Artificial Flower Makers
Arsenic and compounds
Chromium and compounds
Lead and compounds
Mercury and compounds
Methanol
Repeated motion, pressure and shock

Artificial Gem Makers
Thallium

Artificial Ice Makers
Ammonia
Dampness
Sudden variation of temperature
Sulphur dioxide

Artificial Leather Makers
Acetone
Amyl acetate
Aniline and other homologues of benzol
Arsenic and compounds
Benzol
Butanone (methyl ethyl ketone)
Butyl alcohol
Heat
Methanol
Nitrous fumes and nitric acid
Sulphuric acid

Artificial Manure Makers (see fertilizer makers)

Artificial Pearl Makers
Acetone
Acetylene tetrachloride
Amyl acetate
Lead
Nitrous fumes and nitric acid

Artificial Rubber Makers (see rubber makers, synthetic)

Artificial Silk Makers (see rayon)

Artificial Stone Makers
Tar and pitch

Asbestos Miners (see also miners)
Asbestos dust

Asbestos Prducts Workers
Asbestos dust
Benzol
Formaldehyde
Heat
Tar and pitch

Ashmen
Inorganic dust
Organic dust

Ashphalt Workers
Heat
Pitch and tar

Automobile Mechanics (see garage workers)

Automobile Painters (see also painters)
Benzol and its homologues
Dampness
Methanol

Automobile Radiator Cleaners
Oxalic acid

Aviation Personnel (flying) (see also airplane pilots)
Altitude (rarefied air, decreased atmospheric pressure)

Aviators (see airplane pilots)

Babbitt Metal Worker
Antimony
Lead and its compounds

Babbitters
Antimony
Lead and its compounds

Bacteriologists
Infections

Bakers
Carbon dioxide
Carbon monoxide
Organic dust
Sudden variations of temperature
Ultra violet and infra red rays

Baking Powder Makers
Carbon dioxide
Inorganic dust
Organic dust

Balloon (hydrogen) Workers
Arsine

Balloon Inflators
Carbon monoxide

Barbers
Infections
Repeated motion, pressure and shock

Barium Carbonate Makers
Barium
Hydrogen sulphide

Bar-Mill Workers (iron and steel)
Heat

Barometer Makers
Mercury and its compounds

Basic Slag (artificial manure) Workers
Inorganic dust

Batch Makers (glass works) (see glass makers)

Batch Makers (rubber works) (see compounders rubber)

Baters (tannery)
Anthrax and glanders

Bath-house Attendants
Infections

Battery (dry) Makers
Amyl-acetate
Benzol and its homologues (xylol and toluol)
Chromium and its compounds
Hydrochloric acid
Inorganic dust (no free silica)
Lead and its compounds
Manganese
Mercury and its compounds
Organic dust
Tar and pitch

Battery (storage) Makers (see storage battery makers)

Beamers (textiles)
Organic dust

Beamhouse Workers (tannery)
Anthrax and glanders
Dampness

Beatermen (paper and pulp)
Chlorine
Dampness

Beauty Parlor Operators
Benzol and its homologues (xylol and toluol)
Infections

Bed Rubbers (stone)
Free silica
Inorganic dusts

Bench Molders (see molder foundry)

Benzene Workers (see benzol workers)

Benzine (petroleum workers)
Benzine

Benzol Parifiers
Benzol
Sulphuric acid

*Occupations are arranged alphabetically and designated in bold type

Benzol-Stillmen
Benzol
Heat

Benzol Workers
Benzol

Beryllium Alloy Workers
Beryllium

Beryllium Extractors
Hydrofluoric acid

Bessemer-Converter Workers (iron and steel)
Carbon monoxide
Heat

Beta-Still Operators (beta naphthol)
Heat
Sulphuric acid

Bevelers
Inorganic dust (no free silica)

Bicyclists
Repeated motion, pressure and shock

Billet Mill Workers (iron and steel)
Heat

Bisque-Kiln Workers
Carbon monoxide
Free silica
Heat
Inorganic dust (no free silica)

Blacksmiths
Carbon dioxide
Carbon monoxide
Cyanogen
Heat
Lead
Repeated motion pressure and shock
Ultra violet and infra red rays

Blanket Makers
Anthrax and glanders

Blasters
Free silica
Carbon monoxide
Hydrogen sulphide
Inorganic dust (no free silica)
Nitrous fumes and nitric acid

Blast Furnace Workers
Carbon dioxide
Carbon monoxide
Cyanogen
Heat
Hydrogen sulphide
Phosphine
Sulphur dioxide

Bleachers
Chloride of lime
Chlorine
Chromium
Heat
Hydrochloric acid
Hydrofluoric acid
Nitrous fumes and nitric acid
Oxalic acid
Ozone
Phosgene
Potassium hydroxide
Sodium hydroxide
Sulphur dioxide
Sudden variations of temperature

Bleachery Driers
Heat

Bleaching Powder Makers
Arsine
Chloride of lime
Chlorine
Manganese

Blenders (motor fuel) (see gasoline blenders)

Blockers (felt hats)
Carbon monoxide
Heat

Blooders (tannery)
Lead

Blooming-Mill Workers (iron and steel)
Heat

Blowers
Mercury compounds
Organic dust

Blowers (glass manufacturing) (see glass blowers)

Blowers-Out (zinc smelting)
Heat
Zinc

Blue Print Paper Makers
Chromium

Blue Prine Paper Makers
Aniline and other amino compounds and its homologues
Oxalic acid

Bluers (revolvers)
Heat

Boiler Cleaners and Washers
Carbon monoxide
Dampness

Boiler-Room Workers
Carbon dioxide
Carbon monoxide
Heat

Boneblack Makers
Ammonia
Phosphorus

Bone Renderers, Extractors, Etc.
Anthrax and glanders
Acrolein
Cyanogen
Heat
Sulphur dioxide

Bookbinders
Acrolein
Amyl-acetate
Arsenic and its compounds
Lead
Methanol
Oxalic acid

Bottle-Cap Makers
Lead

Bottlers (mineral water)
Carbon dioxide
Hydrogen sulphide

Brake-Lining Makers
Asbestos dust
Benzol and its homologues (xylene and toluol)

Brass Founders
Antimony and its compounds
Arsenic and its compounds
Carbon dioxide
Carbon monoxide
Copper
Heat
Lead and its compounds
Phosphorus
Sulphur dioxide
Zinc

Brass Polishers (see also polishers and cleaners metal)
Lead and its compounds

Braziers
Heat
Lead and its compounds
Ultra violet and infra red rays
Zinc

Brewers
Amyl alcohol
Carbon dioxide
Carbon monoxide
Dampness
Fungus infections
Formaldehyde
Heat
Hydrofluoric acid
Sudden variations in temperature
Phenol
Sulphuric acid

Brick Burners
Carbon dioxide
Carbon monoxide
Heat
Lead

Brick Layers
Inorganic dust (no free silica)

Brick Makers
Dampness
Free silica

*Occupations are arranged alphabetically and designated in bold type

Heat
Hydrofluoric acid
Inorganic dust (no free silica)
Lead
Magnesium
Manganese
Sulphur dioxide

Briquet Makers

Arsenic and its compounds
Tar and pitch

Bromine Makers

Aniline and its amino derivatives
Bromine
Chlorine

Bronze Powder Makers

Acetone
Zinc

Bronzers

Ammonia
Amyl acetate
Arsenic and its compounds
Arsine
Benzine
Benzol
Cyanogen
Hydrochloric acid
Hydrogen sulphide
Inorganic dusts (no free silica)
Lead
Manganese
Mercury and its compounds
Methanol
Zinc

Broom Makers

Anthrax and glanders
Chlorine
Formaldehyde
Organic dust
Sulphur dioxide

Blowers (gum barrels)

Cyanogen
Lead
Mercury and its compounds
Petroleum

Brushers (felt hats)

Mercury and its compounds
Organic dust

Brush Makers

Anthrax and glanders
Formaldehyde
Lead and its compounds
Methanol
Organic dust
Tar and pitch

Buffers

Free silica
Inorganic dust (no free silica)
Organic dust

Buffers (rubber)

Amyl acetate
Benzine
Lead and its compounds

Bulb (mercury) Makers

Mercury and its compounds

Buoy Makers

Phosphine

Burners (Enameling)

Heat
Lead

Burnishers (metals)

Antimony and its compounds
Benzine
Carbon tetrachloride
Sulphuric acid
Trichlorethylene

Burners (Needles)

Free silica
Organic dust

Burr Filers

Free silica
Organic dust

Butchers

Infections
Sudden variations of temperature

Button Makers

Acetone
Chloride of lime
Formaldehyde
Infections
Inorganic dust (no free silica)
Organic dust

Butyl Acetate Makers

Butyl alcohol

Butyl Alcohol Makers

Butyl alcohol

Butyl Cellosolve Makers

Ethylene oxide

Cable Makers

Lead

Cable Splicers

Carbon monoxide
Dampness
Hydrogen sulphide
Lead and its compounds
Turpentine

Cadmium Alloy Makers

Cadmium

Cadmium and Cadmium-Compound Makers

Arsine
Cadmium

Cadmium Platers (see also electro platers)

Cadmium

Cadmium Vapor Lamp Makers

Cadmium

Caisson Workers

Carbon dioxide
Carbon monoxide
Compressed air
Dampness
Hydrogen sulphide
Sudden variations of temperature

Calcium Carbide Makers (see carbide makers)

Calcium Cyanamide Makers

Calcium cyanamide
Heat
Inorganic dust (no free silica)

Calenderers (rubber)

Inorganic dust (no free silica)
Sudden variations of temperature

Calico Printers (see textile printers)

Camphor Makers

Amyl acetate
Aniline and its derivatives
Hydrochloric acid
Turpentine

Candle Makers

Acrolein
Aniline and its derivatives
Arsenic and its compounds
Chromium and its compounds
Sulphuric acid

Candy Makers

Heat
Sudden variations of temperature

Canners

Arsenic and its compounds
Carbon dioxide
Dampness
Heat
Lead
Sudden variation of temperature
Septic infections

Can Sealers

Benzol and its homologues (xylol and toluol)

Cap Loaders

Mercury and its compounds

Cappers (window glass)

Heat

Carbanilide Makers

Carbon disulphide

*Occupations are arranged alphabetically and designated in bold type

Carbide Makers
Ammonia
Carbon monoxide
Heat
Inorganic dust (no free silica)
Organic dust

Carbolic Acid Makers
Benzol and its homologues (xylol and toluol)
Phenol
Sulphur dioxide
Sulphuric acid

Carbonated-Water Makers
Carbon dioxide

Carbon Black Workers
Heat
Organic dust

Carbon Brush Makers
Inorganic dust (no free silica)
Organic dust

Carbon Dioxide Makers
Carbon dioxide

Carbon-Disulphide Makers
Carbon disulphide
Hydrogen sulphide

Carbonic Acid Makers
Carbon dioxide

Carbonizers (shoddy)
Arsine
Hydrochloric acid
Organic dust
Sulphuric acid

Carbon Paper Makers
Organic dust

Carbon Printers (photography)
Chromium compounds

Carbon-Tetrachloride Workers
Carbon disulphide
Carbon tetrachloride
Phosgene
Sulphur chloride

Carders (asbestos)
Asbestos dust

Carders (textiles)
Organic dust

Card Grinders (textile)
Inorganic dust (no free silica)
Organic dust

Carpenters
Repeated motion, pressure and shock, etc.

Carpet Cleaners
Anthrax and glanders
Organic dust

Carpet Makers
Anthrax and glanders
Arsenic and its compounds
Organic dust

Carroters (felt hats)
Arsenic and its compounds
Mercury and its compounds
Nitrous fumes and nitric acid

Cartridge Cup Washers
Dampness

Cartridge Dippers
Hydrochloric acid
Nitrous fumes and nitric acid
Sulphuric acid

Cartridge Felt and Wad Makers
Dampness

Cartridge Makers
Lead
Mercury and its compounds

Cartridge Shot Shell Paraffin Dippers
Dampness
Sudden variation of temperature

Case Hardeners
Cyanogen compounds
Heat

Casters (metal) (see foundries and also particular metal)

Casting Cleaners (foundry) (see also acid dippers)
Inorganic dust containing free silica
Inorganic dust (no free silica)

Cast Scrubbers (electroplaters)
Benzine
Benzol and its hemologue (xylol and toluol)

Catchers (iron and steel)
Heat

Cattle Salesmen
Anthrax and glanders
Undulant fever

Cellulose Formate Makers
Formic acid

Cellulose Makers
Dampness
Hydrogen sulphide
Sodium hydroxide
Sulphur dioxide
Sulphuric acid

Cellulose Products Makers (see rayon, pyroxyline plastics, lacquers)

Cementers (rubber)
Acetylene tetrachloride
Benzine
Benzol and its homologues (xylol and toluol)
Butyl alcohol
Carbon disulphide
Carbon tetrachloride
Dichlorethylene
Methanol
Trichlorethylene
Turpentine

Cement (Portland) Workers
Arsenic and its compounds
Carbon monoxide
Heat
Inorganic dust contaning free silica
Inorganic dust (no free silica)
Selenium and its compounds

Cement (rubber, plastic, etc.) Mixers
Acetone
Acetylene tetrachloride
Ammonia
Amyl acetate
Benzine
Benzol and its homologues (xylol and toluol)
Carbon disulphide
Carbon tetrachloride
Dioxan
Lead
Pyridine
Sulphur chloride
Tar and pitch

Ceramic Workers (see pottery workers)

Chambermaids
Infections

Chambermen (sulphuric acid)
Sulphur dioxide
Sulphuric acid

Charcoal Burners
Carbon monoxide
Organic dust

Charcoal Workers
Carbon monoxide
Organic dust

Charcoal Workers (sugar refining)
Heat
Sudden variations of temperature

Chargers (furnace) (see also particular metal)
Carbon monoxide
Heat
Inorganic dust (no free silica)
Inorganic dust containing free silica

Charges (smelting and refining) (see also particular metal)
Carbon monoxide
Heat
Inorganic dust (no free silica)
Inorganic dust containing free silica

*Occupations are arranged alphabetically and designated in bold type

Chasers (steel)

Inorganic dust containing free silica

Chauffeurs

Benzine
Carbon monoxide
Dampness
Repeated pressure, motion and shock
Sudden variations of temperature

Chemists (analytical)

Acetaldehyde
Acetanilide
Alkalies
Antimony and compounds
Arsenic and compounds
Benzol and its homologues (xylol and toluol)
Cadmium and its compounds
Carbon disulphide
Carbon monoxide
Carbon tetrachloride
Chlorine and its compounds
Chromium and its compounds
Cyanogen and compounds
Formaldehyde
Hydrochloric acid
Hydrogen sulphide
Lead or its compounds
Methanol
Mercury or its compounds
Nitrous fumes, and nitric acid
Oils (paraffin and mineral)
Phosphorus
Sulphuric acid
Zinc

Chemists (radium research)

X-rays, radium and other radio active substances (radio-thorium, mesothorium, etc.)

Chimney Masons

Carbon monoxide

Chimney Sweepers

Arsenic and its compounds
Carbon monoxide
Inorganic dust (no free silica)
Tar and pitch

Chippers

Inorganic dust (containing free silica)
Inorganic dust (no free silica)
Lead and its compounds

Chloride-of-Lime Makers

Chloride of lime
Chlorine

Chlorinated Diphenyl Makers

Chlorinated diphenol

Chlorinated Napthalene Workers

Chlorinated naphthalene

Chlorinated Rubber Makers

Carbon tetrachloride

Chlorine Compound Makers

Hydrochloric acid

Chlorine Makers

Chlorine
Hydrochloric acid
Manganese
Mercury and its compounds

Chlorodiphenol Makers

Benzol and its homologues (xylol and toluol)

Chloroform Makers

Acetone
Carbon tetrachloride
Chloride-of-lime
Methyl chloride

Chrome Workers

Chromium and its compounds

Chromium Platers (see also electroplaters)

Chromium and its compounds

Cigar Makers

Fungus infections
Lead
Nicotine
Organic dust

Clay and Bisque Makers (pottery)

Dampness
Inorganic dust (no free silica)
Inorganic dust (containing free silica)
Sudden variations of temperature

Clay-Plug Makers (pottery)

Dampness
Inorganic dust (no free silica)

Clay-Product Workers (see pottery workers)

Cleaners (metal) (see polishers and cleaners, metal)

Clerks

Repeated motion, shock, vibration, etc.

Clothes Pressers

Carbon monoxide
Heat

Cloth Preparers (see also bleachers)

Heat
Dampness

Cloth Singers

Carbon monoxide

Clutch Disk Impregnators

Benzol and its homologues (xylol and toluol)

Coal Carbonizers

Hydrogen sulphide

Coal Miners (see miners)

Coal Passers

Organic dust
Inorganic dust (no free silica)

Coal Tar Workers (see also coke over workers)

Aniline and its derivatives
Benzol and its homologues (xylol and toluol)
Carbon monoxide
Cresol
Cyanogen compounds
Heat
Phenol
Tar and pitch

Cobbers (asbestos)

Asbestos

Cobblers

Anthrax and glanders
Benzol and its homologues (xylol and toluol)
Carbon tetrachloride
Organic dust
Repeated motion, shock, pressure, etc.

Coin Makers

Nickel
Silver

Coke-Oven Workers (see also coal tar workers)

Ammonia
Benzol and its homologues (xylol and toluol)
Carbon monoxide
Heat
Hydrogen sulphide
Sulphur dioxide
Tar and pitch

Cold Storage Plant Workers (see refrigerating plant workers)

Collar (fused) Makers

Acetone
Methanol
Methyl cellosolve

Collodion Makers

Nitrous fumes and nitric acid

Colored Paper Workers

Arsenic and its compounds

Colorers (marble)

Chromium compounds

Colorers (white) of Shoes

Lead and its compounds

Color Makers

Acetylene tetrachloride
Ammonia
Aniline and its derivatives
Antimony and its compounds
Arsenic and its compounds
Benzine
Benzol and its homologues (xylol and toluol)
Bromine

*Occupations are arranged alphabetically and designated in bold type

Cadmium
Chlorine
Chromium and its compounds
Cobalt
Dimethyl sulphate
Heat
Inorganic dust (no free silica)
Lead and its compounds
Manganese
Mercury and its compounds
Methyl bromide
Methyl chloride
Naphthols
Selenium compounds
Sulphuric acid
Thallium

Comb Makers
Acetone
Organic dust

Compositors
Alkalies
Aniline and its derivatives
Antimony and compounds
Benzine
Benzol and its homologues (xylol and toluol)
Inorganic dust (no free silica)
Lead and its compounds
Repeated motion, shock, pressure, etc.
Turpentine

Compounders (rubber)
Aniline and its homologues
Antimony and its compounds
Arsenic and its compounds
Benzine
Benzol and its homologues (xylol and toluol)
Chromium compounds
Inorganic dust (no free silica)
Lead and its compounds

Compressed Air (caisson) Workers (see caisson workers)

Compressed Air (pneumatic tool) Workers (see pneumatic tool workers)

Concentrating Mill Workers (see also oil flotation plant workers)
Dampness
Inorganic dust (containing free silica)
Inorganic dust (no free silica)
Lead
Manganese
Selenium compounds

Coners (felt hats)
Mercury and its compounds
Organic dust

Confectioners (see candy makers)

Construction Workers
Dampness
Inorganic dust (containing free silica)
Inorganic dust (no free silica)

Cooks
Carbon monoxide
Infections
Sudden variation of temperature
Ultraviolet and infra red rays

Copper Founders
Arsenic and compounds
Copper

Copper Miners (see miners)

Coppers Refiners and Smelters
Antimony and its compounds
Arsenic and its compounds
Carbon monoxide
Copper
Heat
Hydrofluoric acid
Lead and its compounds
Manganese
Selenium compounds
Sulphur dioxide
Tellurium and compounds

Coppersmiths
Arsenic and its compounds
Copper

Copper (strip) Roller-Mill Workers
Acrolein

Cordage Factory Workers
Anthrax and glanders
Tar and pitch

Core Makers
Acrolein
Carbon monoxide
Carbon tetrachloride
Heat
Inorganic dust (containing free silica)
Inorganic dust (no free silica)
Zinc

Cork Workers
Organic dust

Corn-Products Workers
Dampness
Heat
Sudden variations of temperature

Cosmetic Workers
Arsenic and its compounds
Mercury and its compounds
Methyl cellosolve
Nitrobenzol and other nitro compounds of benzol or its homologues

Cotton Mill Workers
Dampness
Heat
Inorganic dust (no free silica)
Organic dust

Cottonseed-Oil Workers
Heat

Cotton Twisters
Organic dust
Repeated motion, shock, pressure, etc.

Cranemen (glass industry)
Heat

Cranemen (iron and steel)
Acrolein
Carbon monoxide
Heat
Inorganic dust (containing free silica

Cranemen (non-ferrous)
Arsenic and compounds
Heat
Inorganic dust (containing free silica)
Lead and compounds
Selenium and compounds
Sulphur dioxide
Zinc and compounds

Crayon (colored) Makers
Chromium and its compounds
Lead and its compounds

Creosoting-Plant Workers
Dampness
Phenol
Tar and pitch

Creosol-Soap Makers
Creosol

Cresylic-Acid Makers
Creosol

Crucible Mixers
Inorganic dust (no free silica)
Organic dust

Crucible-Steel-Department Employees
Heat

Crushermen (clay and stone)
Inorganic dust (no free silica)
Inorganic dust (containing free silica)

Crushers (asbestos)
Asbestos dust

Cupola Men (foundries)
Carbon dioxide
Carbon monoxide
Heat

Curers, Vapor (rubber) (see vulcanizers)

Curriers (tannery)
Anthrax and glanders
Arsenic and compounds
Benzine
Organic dust

Cut-Glass Workers
Arsenic and its compounds
Inorganic dust containing free silica
Lead

*Occupations are arranged alphabetically and designated in bold type

Cutlery Makers
- Amyl alcohol
- Inorganic dust containing free silica
- Inorganic dust (no free silica)
- Lead

Cutters (oxyacetylene and other gases) (see welders)

Cyanamide Makers
- Calcium cyanamide
- Heat
- Inorganic dust (no free silica)

Cyanide Workers
- Ammonia
- Cyanogen compounds

Cyanogen Makers
- Cyanogen
- Hydrogen sulphide
- Mercury and its compounds

Dairy Workers
- Anthrax and glanders
- Undulant fever

Damascening Workers
- Nitrous fumes and nitric acid

Dancers
- Repeated motion, shock, pressure, etc

Dead Animal Handlers (see also animal by-products workers)
- Infection

De-Brasers
- Nitrous fumes and nitric acid

Decorators (pottery)
- Arsenic and its compounds
- Benzine
- Benzol and its homologues (xylol and toluol)
- Lead and its compounds
- Mercury and its compounds
- Turpentine

Degreasers
- Benzine
- Benzol and its homologues (xylol and toluol)
- Carbon disulphide
- Carbon tetrachloride
- Chlorinated naphthalenes
- Dichlorethylene
- Dichlorethyl ether
- Dioxan
- Methylene chloride
- Tetrachlorethane
- Trichlorethylene

Denatured Alcohol Workers (see particular denaturant)

Dental Workers
- Lead
- Mercury and its compounds

Dentists
- Mercury and its compounds
- X-ray, radium and other radio active substances

Depliatory Makers
- Barium
- Thallium

Detinning Workers
- Chlorine

Detonator Cleaners
- Mercury and its compounds

Detonator Fillers
- Mercury and its compounds

Detonator Packers
- Mercury and its compounds

Devil Operators (felt hat)
- Mercury and its compounds
- Organic dust

Diamond Cutters
- Inorganic dust (no free silica)
- Organic dust
- Repeated motion, shock, and pressure

Diamond Polishers
- Lead and its compounds

Diatomaceous Earth Workers
- Inorganic dust containing free silica

Dichlorethylene Workers
- Dichlorethylene

Digester-House Workers (paper and pulp)
- Heat
- Hydrogen sulphide
- Sudden changes of temperature
- Sulphur dioxide

Dimethyl-Sulphate Makers
- Arsine
- Dimethyl-sulphate
- Methanol
- Nitrous fumes and nitric acid
- Sulphuric acid

Dinitrobenzol Workers
- Nitrobenzol and other nitro compounds of benzol

Dinitrophenol Workers
- Dinitrophenol (1-2-3)

Dioxan Makers
- Dioxan

Dippers (Gun Cotton)
- Nitrous fumes and nitric acid

Dippers (rubber)
- Benzine
- Benzol and its homologues (xylol and toluol)
- Carbon tetrachloride

Dippers (see also acid dippers)
Dish-Washers
- Fungus infections

Disinfectant Makers (see also insecticide makers)
- Acetalydehyde
- Aniline and its derivatives
- Arsenic and its compounds
- Benzol and its homologues (xylol and toluol)
- Bromine
- Carbon dioxide
- Chloride of lime
- Chlorine
- Cresol
- Cyanogen
- Formaldehyde
- Mercury and its compounds
- Ozone
- Phenol
- Picric acid
- Sulphur dioxide
- Thallium
- Trichlorethylene

Divers
- Carbon dioxide
- Carbon monoxide
- Compressed air (increased atmospheric pressure)

Doffers (textile)
- Dampness
- Heat
- Organic dust

Dog Pound Workers
- Infections

Dope Workers (see airplane dope makers)

Dressers (glass)
- Heat

Dresser Tenders (textile)
- Dampness
- Heat
- Sudden variation of temperature

Driers
- Methanol
- Sudden variation of temperature

Driers (lacquer)
- Ultraviolet and infra red rays

Driers (rubber)
- Benzine
- Benzol and its homologues
- Carbon disulphide

Drier Workers (foundry)
- Carbon monoxide

Drillers (rock)
- Inorganic dust containing free silica
- Inorganic dust containing no free silica

Drivers (see chauffeurs)

Drop Forgers
- Heat

*Occupations are arranged alphabetically and designated in bold type

Dry Cleaners

Acetylene tetrachloride
Amyl acetate
Benzine
Benzol and its homologues (xylol and toluol)
Carbon disulphide
Carbon tetrachloride
Dichlorethylene
Ethylene dichloride
Methanol
Oxalic acid
Sudden variation of temperature
Tetrachlorethylene
Trichlorethylene
Turpentine

Drying Room Workers (miscellaneous)

Carbon dioxide
Carbon monoxide
Sudden variation of temperature

Dye Makers

Acetaldehyde
Acetone
Acridine
Ammonia
Aniline and its derivatives
Antimony and its compounds
Arsenic and its compounds
Arsine
Barium
Benzol and its homologues (xylol and toluol)
Bromine
Butyl alcohol
Carbon dioxide
Carbon tetrachloride
Chloride of lime
Chromium compounds
Cresol
Cyanogen
Dimethyl sulphate
Dinitrophenol (1-2-3)
Dioxan
Ethyl Bromide and ethyl chloride
Formaldehyde
Formic acid
Furfural
Heat
Hydrochloric acid
Hydrogen sulphide
Lead
Manganese
Mercury and its compounds
Methanol
Methyl bromide
Methyl cellosolve
Methyl chloride
Methylene chloride dichloromethane
Naphthols
Nitrobenzol and other nitro compounds of benzol and its homologues
Nitrous fumes and nitric acid
Oxalic acid
Phenol
Phenyl hydraxine
Phosgene
Picric acid (trinitrophenol)
Pyridine
Sodium hydroxide
Sudden variation of temperature
Sulphur dioxide
Sulphuric acid
Thallium
Trichlorethylene
Turpentine
Uranium
Vanadium

Dyers (see also mordanters and other preparatory process workers)

Acetone
Ammonia
Amyl acetate
Aniline and its derivatives
Antimony and its compounds
Arsenic and its compounds
Benzine
Chromium and its compounds
Dichlorethylene
Formaldehyde
Hydrochloric acid
Hydrofluoric acid
Lead and its compounds
Manganese
Methanol
Nitrous fumes and nitric acid
Oxalic acid
Phenol
Picric acid
Pyridine
Sudden variation of temperature
Sulphur chloride
Titanium oxide
Uranium
Vanadium

Electrical Condenser Makers

Chlorinated diphenols
Chlorinated naphthlenes

Electrical Transformer Makers

Chlorinated diphenols
Chlorinated naphthalenes

Electricians

Ozone
Ultra violet light and infra red rays

Electric Induction Furnace Workers

Mercury and its compounds

Electric Linemen (see also cable splicers)

Ultra violet and infra red rays

Electrode Makers

Organic dust
Tar and pitch

Electrolytic Process (copper) Workers

Arsine

Electroplaters

Acetylene tetrachloride
Antimony and its compounds
Arsenic and its compounds
Arsine
Benzine
Benzol and its homologues (xylol and toluol)
Cadmium
Carbon disulphide
Carbon tetrachloride
Chlorinated naphthalenes
Chromium compounds
Cyanogen compounds
Dampness
Formic acid
Hydrochloric acid
Hydrofluoric acid
Lead and its compounds
Mercury and its compounds
Nickel
Nitrous fumes and nitric acid
Potassium hydroxide
Sulphuric acid
Trichlorethylene

Electrotypers (see also electroplaters)

Ammonia
Antimony and its compounds
Inorganic dust
Lead and its compounds
Organic dust
Sudden variation of temperatures

Elevator Operators

Repeated motion, pressure and shock, etc.

Embalmers

Formaldehyde
Mercury and its compounds

Embalming Fluid Makers

Mercury and its compounds

Embossers

Mercury and its compounds

Embroidery Workers

Lead and its compounds

Emery Wheel Makers

Inorganic dust (no free silica)
Lead and its compounds

Enamelers

Acetylene tetrachloride
Amyl acetate
Antimony and its compounds
Arsenic and its compounds
Benzine
Benzol and its homologues (xylol and toluol)
Carbon disulphide
Carbon monoxide
Chromium and its compounds
Dampness
Heat
Inorganic dust containing free silica
Lead and its compounds

*Occupations are arranged alphabetically and designated in bold type

Manganese
Nickel
Repeated motion, pressure, shock, etc.
Turpentine

Enamel Makers

Acetylene tetrachloride
Amyl acetate
Antimony and its compounds
Arsenic and its compounds
Barium
Benzine
Benzol and its homologues (xylol and toluol)
Carbon disulphide
Carbon monoxide
Chromium compounds
Hydrochloric acid
Hydrofluoric acid
Lead and its compounds
Manganese
Methyl cellosolve
Nitrous fumes and nitric acid
Turpentine

Engineers (stationary)

Carbon monoxide
Heat
Inorganic dust (no free silica)
Sudden variation of temperature

Engravers

Benzol and its homologues (xylol and toluol)
Copper
Hydrochloric acid
Inorganic dust (no free silica)
Lead and its compounds
Mercury and its compounds
Nitrous fumes and nitric acid
Oxalic acid
Repeated motion, shock, pressure
Sodium Hydroxide
Sulphuric acid

Etchers

Arsine
Hydrochloric acid
Hydrofluoric acid
Nitrous fumes and nitric acid
Phenol
Sulphuric acid

Ether Makers

Sulphuric acid

Ethyl Benzene Makers

Ethyl benzene

Ethyl Bromide Makers

Ethyl bromide

Ethyl Chloride Makers

Ethyl chloride

Ethylene Dibromide Makers

Bromine
Ethylene dibromide

Ethylene Dichloride

Ethylene dichloride

Ethylene Oxide Makers

Ethylene oxide

Examiners Using Fluoroscope or X-Ray

X-Rays

Excavation Workers

Inorganic dust (containing free silica)

Explosives Workers (see also particular occupation)

Acetaldehyde
Acetone
Ammonia
Amyl acetate
Amyl alcohol
Aniline and its deravatives
Antimony
Benzol and its homologues (xylol and toluol)
Bromine
Carbon dioxide
Carbon disulphide
Chromium and its componds
Cresol
Dampness
Dinitrophenol (1-2-3)
Formaldehyde
Lead and its compounds
Mercury and its compounds
Methanol
Nitrobenzene and other nitro compounds of bezol and its homologues
Nitroglycerin
Nitrous fumes and nitric acid
Phenol
Phosphorus
Picric acid
Pyridine
Sulphuric acid

Exterminators and Fumigators (see insecticide makers)

Extractor Operators (soap)

Dampness
Sudden variation of temperature

Extractors (gold and silver) (see gold and silver refiners and extractors)

Extractors (oils and fats)

Acetone
Acetylene tetrachloride
Benzine
Benzol and its homologues (xylol and toluol)
Carbon disulphide
Dichlorethane
Trichlorethylene

Farmers

Anthrax and glanders
Arsenic and its compounds
Calcium cyanamide
Fungus infections
Infections.
Lead and its componnds
Nicotine
Undulant fever

Fat Renderers

Acrolein
Anthrax and glanders
Hydrogen sulphide
Magnesium
Ozone
Sudden variations of temperature
Sulphuric acid

Feather Curers

Arsenic and its compounds
Organic dust

Feather Workers

Aniline and other amino compounds of benzol and its homologues
Arsenic and its compounds
Benzine
Benzol and its homologues (xylol and toluol)
Methanol
Organic dust
Septic infections
Sulphur dioxide
Turpentine

Felt Hat Makers (see also particular occupation)

Carbon monoxide
Heat
Mercury and its compounds
Methanol
Nitrous fumes and nitric acid
Organic dust
Sudden variations of temperature
Sulphuric acid

Felt Makers

Anthrax and glanders
Heat
Hydrogen sulphide

Ferrosilicon

Arsenic and its componnds
Arsine
Prosphine

Fertilizer Makers (see also phosphate mill employees)

Acrolein
Ammonia
Anthrax and glanders
Arsenic and its compounds
Arsine
Benzol and its homologues (xylol and toluol)
Carbon dioxide
Cyanimide
Cyanogen compounds
Dampness
Hydrochloric acid
Hydrofluoric acid
Hydrogen sulphide
Inorganic dust containing free silica

*Occupations are arranged alphabetically and designated in bold type

Inorganic dust containing no free silica
Magnesium
Manganese
Nicotine
Nitrous fumes and vapors
Organic dust
Septic infections
Sulphur dioxide
Sulphuric acid

Fiberizers (asbestos)
Asbestos

Fiber Workers
Organic dust

Filament Makers and Finishers (incandescent lamps)
Amyl acetate
Carbon monoxide
Methanol
Thallium

File Cutters
Inorganic dust, no free silica
Lead and its compounds

Filers
Antimony and its compounds
Inorganic dust, no free silica
Lead and its compounds

Filling Station Workers
Benzine
Carbon monoxide
Lead
Tetraethyl lead

Film Makers (see photographic film makers)

Filter Press Workers
Dampness

Finishers (leather)
Organic dust

Fire Extinguisher Makers
Carbon dioxide
Carbon tetrachloride
Ethyl bromide and ethyl chloride
Ethylene dibromide
Methyl bromide

Firemen (city)
Carbon monoxide
Dampness
Heat
Phosgene
Sudden variation of temperature
Sulphur dioxide

Firemen (stationary)
Carbon monoxide
Heat
Inorganic dust (no free silica)
Sudden variation of temperature
Ultraviolet and infrared rays

Fireworks Makers (see also explosive workers)
Antimony and its compounds
Arsenic and its compounds
Barium
Manganese
Mercury and its compounds
Phosphorus
Picric acid
Thallium

Fishermen
Dampness
Septic infections
Sudden variation of temperature
Tar and pitch

Fish Market Workers
Infections

Flangers (felt hats)
Carbon monoxide
Sudden variation of temperature

Flateners (glass)
Heat

Flavoring Extract Makers
Amyl acetate
Amyl alcohol
Benzol and its homologues (xylol and toluol)
Butyl alcohol
Nitrobenzol and other nitro compounds of benzol and its homologues

Flax-rettery Workers
Hydrogen sulphide

Flax Spinners
Heat
Organic dust

Flint Workers
Free silica
Inorganic dust containing no free silica

Floor Molders (see molders—foundry)

Floor Polish Makers (see polish makers)

Flour Mill Workers
Fungus infections
Organic dust

Flue Cleaners
Carbon monoxide
Inorganic dust containing no free silica
Sulphur dioxide
Tar and pitch

Flue Dust Recoverers (sulphuric acid manufacturing)
Thallium

Flush Tenders (aluminum)
Dampness

Fly Paper Makers
Arsenic and its compounds

Food Irradiators
Ultraviolet and infrared rays

Forestry Workers
Infections

Forgemen
Heat

Formaldehyde Workers
Formaldehyde

Formers (felt hats)
Mercury and its compounds
Organic dust

Formic Acid Workers
Formic acid
Oxalic acid

Foundry Workers (see also particular metal)
Carbon dioxide
Carbon monoxide
Heat
Inorganic dust containing free silica
Inorganic dust containing no free silica
Ultraviolet and infrared rays

Freight Handlers
Anthrax and glanders

Frosters (glass and pottery)
Chromium compounds

Fruit Essence Makers (see flavoring extract makers)

Fruit Preservers
Sulphur dioxide

Fullers (textiles)
Benzol and its homologues (xylol and toluol)
Carbon tetrachloride
Dichloroethyl ether
Tetrachlorethane (acetylene tetrachloride)

Fulminate Mixers
Cyanogen compounds
Mercury and its compounds

Fumigant Makers (see insecticide makers)

Fumigators and Exterminators (see insecticide makers)

Fur Carders
Anthrax and glanders
Organic dust

Fur Clippers
Anthrax and glanders
Organic dust

*Occupations are arranged alphabetically and designated in bold type

Fur Cutters

Anthrax and glanders
Organic dust

Fur Handlers

Anthrax and glanders
Hydrogen sulphide
Mercury and its compounds
Organic dust

Furnace Workers (see also particular metal)

Carbon dioxide
Carbon monoxide
Heat
Inorganic dust containing no free silica
Ultraviolet and infrared rays

Furniture Polishers

Amyl acetate
Benzine
Chromium compounds
Methanol
Organic dust
Petroleum
Repeated motion, pressure, shock, etc.
Turpentine

Fur Preparers

Anthrax and glanders
Formaldehyde
Mercury and its compounds
Nitrous fumes and nitric acid
Organic dust

Fur Pullers

Anthrax and glanders
Organic dust

Fusel Oil Workers

Amyl alcohol

Fused Quartz Workers

Inorganic dust containing free silica

Galvanizers

Acrolein
Ammonia
Arsenic and its compounds
Arsine
Benzine
Dampness
Heat
Hydrochloric acid
Lead and its compounds
Nitrous fumes and nitric acid
Sulphur dioxide
Sulphric acid
Trichlorethylene
Zinc

Garage Workers

Acrolein
Benzine
Carbon monoxide
Lead and its compounds
Tetraethyl lead

Garbage Workers

Septic infections

Gardeners

Arsenic and its compounds
Calcium cyanamide
Lead and its compounds
Nicotine
Undulant fever

Gas (illuminating) Workers

Ammonia
Arsine
Benzol and its homologues toluol and xylol
Carbon monoxide
Cyanogen compounds
Heat
Hydrofluoric acid
Hydrogen sulphide
Phenol
Sudden variations of temperature
Tar and pitch
Trichlorethylene

Gasoline Blenders

Aniline and other amino compounds of benzol and its homologues
Benzine
Benzol and its homologues (toluol and xylol)
Ethyl benzene
Ethylene dibromide
Lead and its compounds
Nitrobenzol and other nitro compounds of benzol and its homologues
Tetraethyl lead

Gasoline Engine Workers

Acrolein
Benzine
Carbon monoxide

Gas Purifiers

Ammonia
Cyanogen compounds
Hydrogen sulphide
Phenol

Gassers (textile)

Carbon monoxide

Gatherers (glass)

Heat

Gelatine Makers

Acrolein
Anthrax and glanders
Sulphur dioxide

Germicide Makers (see disinfectant makers)

Gilders

Amyl acetate
Benzine
Benzol and its homologues (toluol and xylol)
Cyanogen compounds
Mercury and its compounds
Methanol
Nitrous fumes and nitric acid
Pyridine

Glass Blowers

Heat
Inorganic dust containing no free silica
Ultraviolet and infrared rays

Glass Colorers

Cadmium
Chromium compounds
Cobalt
Selenium compounds
Tellurium compounds

Glass Cutters

Dampness
Inorganic dust containing no free silica

Glass Etchers

Formaldehyde
Hydrofluoric acid

Glass Finishers

Dampness
Hydrochloric acid
Hydrofluoric acid
Inorganic dust containing no free silica
Lead and its compounds
Sulphuric acid

Glass Furnace Workers (see also glass mixers)

Carbon monoxide
Heat
Inorganic dust containing free silica
Inorganic dust containing no free silica
Ultra violet and infra red rays

Glass Mixers

Antimony and its compounds
Arsenic and its compounds
Barium
Hydrochloric acid
Inorganic dust containing free silica
Inorganic dust containing no free silica
Lead and its compounds
Magnesium
Manganese
Selenium compounds
Sodium hydroxide
Thallium
Uranium
Vanadium

Glass Polishers

Lead and its compounds

Glass (safety) Makers

Butyl alcohol

*Occupations are arranged alphabetically and designated in bold type

Methanol
Tetrachlorethane

Glaze Dippers (pottery)

Antimony and its compounds
Arsenic and its compounds
Chromium compounds
Dampness
Hydrochloric acid
Lead and its compounds
Manganese

Glaze Mixers (pottery)

Antimony and its compounds
Arsenic and its compounds
Hydrochloric acid
Inorganic dust containing free silica
Inorganic dust containing no free silica
Lead and its compounds
Manganese

Glost-kiln Workers

Carbon monoxide
Lead and its compounds
Sudden variations of temperature

Glove Makers (leather preparers) (see also tannery workers)

Dampness
Organic dust

Glue Workers

Acrolein
Ammonia
Anthrax and glanders
Benzine
Benzol and its homologues (xylol and toluol)
Carbon dioxide
Carbon disulphide
Carbon tetrachloride
Creosol
Dampness
Hydrochloric acid
Hydrogen sulphide
Nitrobenzol and other nitro compounds of benzol and its homologues
Organic dust
Septic infections
Sudden variations of temperature
Sulphur dioxide
Sulphuric acid
Trichlorethylene

Glycerine Refiners

Oxalic acid

Gold Beaters

Inorganic dust containing no free silica
Repeated motion, pressure, shock, etc.

Gold and Silver Refiners and Extractors

Arsenic and its compounds
Arsine
Bromine
Chlorine
Cyanogen compounds
Formaldehyde
Hydrofluoric acid
Inorganic dust containing no free silica
Lead and its compounds
Mercury and its compounds
Sulphur chloride

Grain Elevator Workers

Carbon dioxide
Fungus infections
Organic dust

Granite Workers (see stonecutters)

Graphite Workers

Heat
Inorganic dust containing no free silica
Organic dust

Grinders (colors) (see color makers)

Grinders (metals)

Antimony and its compounds
Dampness
Inorganic dust containing free silica
Inorganic dust containing no free silica
Lead and its compounds
Repeated motion, pressure, shock, etc.

Grinders (rubber)

Antimony and its compounds
Lead and its compounds
Organic dust

Grinding Wheel Makers

Inorganic dust containing free silica
Inorganic dust containing no free silica

Grooms

Fungus infections

Guncotton Dippers

Nitrous fumes and nitric acid
Sulphuric acid

Guncotton Pickers

Organic dust

Guncotton Washers

Dampness

Gypsum Workers

Hydrogen sulphide
Inorganic dust containing no free silica
Sudden variations of temperature

Hair Workers

Anthrax and glanders
Dampness
Mercury and its compounds
Organic dust
Septic infections

Hammermen

Repeated motion, pressure, shock, etc.

Handlers of Putrid or Decomposing Animal Products

Septic infections

Hardeners (felt hats)

Mercury and its compounds
Methanol

Hardeners (see temperers)

Harness Makers

Organic dust

Hat Makers (felt) (see felt hat makers)

Heel Makers (shoe)

Organic dust

Hemp Workers

Organic dust

Hide Workers

Fungus infections

Horn Workers

Organic dust

Horse Handlers

Infections

Hospital Attendants

X-rays, radium and other radioactive substances (radiothorium, mesothorium, etc.)

Hothouse Workers (see also gardeners)

Sudden variations of temperature

Hot Rod Rollers (iron and steel)

Heat

Housemaids

Repeated motion, pressure, shock, etc.

House Wreckers

Inorganic dust containing free silica
Inorganic dust containing no free silica

Hunters

Infections

Hydraulic Construction Workers

Dampness

Hydraulic Miners

Dampness

Hydrochloric Acid Makers

Arsine
Hydrochloric acid
Hydrogen sulphide
Sulphuric acid

*Occupations are arranged alphabetically and designated in bold type

Hydrocyanic Acid Makers

Cyanogen compounds
Sulphuric acid

Hydrofluoric Acid Makers

Hydrofluoric acid

Ice (artificial) Makers (see artificial ice makers)

Ice Cream Makers

Ammonia
Carbon dioxide
Dampness
Sudden variations of temperature

Imitation (see artificial)

Incandescent Lamp Makers (see particular occupation)

Amyl acetate
Carbon monoxide
Lead and its compounds
Mercury and its compounds
Methanol
Thallium

Incandescent Mantle Hardeners

Hydrofluoric acid
Pyridine
X-rays, radium, and other radioactive substances (radiothorium, mesothorium, etc.)

Ink Makers

Ammonia
Arsenic and its compounds
Barium
Benzine
Benzol and its homologues (xylol and toluol)
Bromine
Carbon monoxide
Carbon tetrachloride
Chlorine
Chromium compounds
Cresol
Formaldehyde
Hydrochloric acid
Lead and its compounds
Mercury and its compounds
Methanol
Methyl cellosolve
Nitrobenzol and other nitro compounds of benzol and its homologues
Oxalic acid
Potassium hydroxide
Silver
Turpentine
Vanadium

Insecticide Makers (see also disinfectant makers)

Arsenic
Barium
Benzine
Bromine
Carbon dioxide
Carbon disulphide
Carbon monoxide
Carbon tetrachloride
Cresol
Cyanogen compound
Dichlorethylene
Dioxan
Ethylene dichloride
Ethylene oxide
Formaldehyde
Infections
Lead and its compounds
Mercury and its compounds
Methyl bromide
Methyl formate
Nicotine
Nitrous fumes and nitric acid
Phosphorus
Sulphur chloride
Sulphur dioxide
Tetrachlorethane
Thallium
Trichlorethylene
Turpentine

Inspectors Using Fluoroscope or X-ray

X-rays, radium and other radioactive substances (radiothorium, mesothorium, etc.

Instrument Dial (luminous) Painters

X-rays, radium and other radioactive substances (radiothorium, mesothorium, etc.

Insulation (sound, heat) Workers

Inorganic dust containing free silica
Inorganic dust containing no free silica

Insulators (wire)

Antimnoy and its compounds
Arsenic and its compounds
Benzol and its homologues (xylol and toluol)
Carbon tetrachloride
Chlorinated diphenyls
Chlorinated naphthalenes
Ethylene dichloride
Tar and pitch

Iodine Makers

Chlorine

Iron and Steel Workers (all departments) (also see particular occupation and alloy makers)

Arsenic and its compounds
Carbon monoxide
Heat
Inorganic dust containing no free silica
Titanium oxide
Ultraviolet and infrared rays

Ironers

Carbon monoxide
Repeated motion, pressure, shock, etc.
Sudden variations of temperature

Irradiators (food)

Ultraviolet and infrared rays

Japan Makers

Arsenic and its compounds
Benzine
Lead and its compounds
Methanol
Sudden variations of temperature
Turpentine

Japanners

Arsenic and its compounds
Benzine
Lead and its compounds
Turpentine

Jewelers

Amyl acetate
Arsine
Cyanogen compounds
Hydrochloric acid
Inorganic dust containing no free silica
Lead and its compounds
Mercury and its compounds
Nitrous fumes and nitric acid
Repeated motion, pressure, shock, etc.
Sulphuric acid

Junk (metal) Refiners

Heat
Inorganic dust containing no free silica
Lead and its compounds
Zinc

Jute Workers

Inorganic dust containing free silica
Inorganic dust containing no free silica
Organic dust

Kiln Tenders

Carbon monoxide
Heat

Knitters

Repeated motion, pressure, shock, etc.

Knitting Mill Workers

Organic dust

Labelers (paint cans)

Lead and its compounds

Laboratory Workers

Carbon monoxide
Mercury and its compounds

Laboratory Workers (radium research)

X-rays, radium and other radioactive substance (radiothorium, mesothorium, etc.)

Lace Makers

Organic dust

*Occupations are arranged alphabetically and designated in bold type

Lacquerers

Acetone
Amyl acetate
Amyl alcohol
Arsenic and its compounds
Benzine
Benzol and its homologues (toluol and xylol)
Carbon tetrachloride
Ethyl benzene
Ethylene dichloride
Formic acid
Lead and its compounds
Methanol
Methylene chloride
Pyridine
Tetrachlorethane
Trichlorethylene
Triorthocresyl phosphate
Turpentine

Lacquer Makers

Acetaldehyde
Acetone
Ammonia
Amyl acetate
Amyl alcohol
Arsenic and its compounds
Barium
Benzine
Benzol and its homologues (toluol and xylol)
Butanone
Butyl alcohol
Carbon tetrachloride
Cellosolve
Chlorinated diphenyls
Chlorinated naphthalenes
Dioxan
Ethylene dichloride
Formaldehyde
Formic acid
Hexon
Hexanone
Lead and its compounds
Methanol
Methyl cellosolve
Methylene chloride
Nitrous fumes and nitric acid
Pentanone
Pyridine
Tetrachlorethane
Trichlorethylene
Triorthocresyl phosphate
Turpentine

Lampblack Makers

Organic dust
Petroleum
Phenol

Lamps (electric (see incandescent lampmakers)

Lapidaries

Inorganic dust containing no free silica

Lard Makers

Acrolein

Lasters (shoes)

Dampness
Methanol
Organic dust
Sudden variations of temperature

Lathe Turners

Repeated motion, pressure, shock, etc.

Laundry Workers

Carbon monoxide
Chloride of lime
Chlorine
Dampness
Formaldehyde
Heat
Ozone
Sudden variations of temperature

Lead Arsenate Makers

Arsenic and its compounds
Lead and its compounds

Lead Burners

Arsine
Lead and its compounds

Leadfoil Makers

Heat
Lead and its compounds

Lead Miners (see also miners)

Lead and its compounds

Lead Pipe Makers

Lead and its compounds

Lead Platers (on iron)

Mercury and its compounds

Lead Salts Makers

Lead and its compounds

Lead Smelters

Antimony and its compounds
Arsenic and its compounds
Cadmium
Carbon monoxide
Heat
Lead and its compounds
Selenium compounds
Sulphur dioxide
Tellurium compounds

Leather Workers (see also tannery workers)

Amyl acetate
Anthrax and glanders
Barium
Carbon tetrachloride
Hydrochloric acid
Methanol
Organic dust
Trichlorethylene

Lehr Tenders (glass)

Heat

Letter Sorters

Repeated motion, pressure, shock, etc.

Levermen (iron and steel)

Heat

Lifters Over (glass)

Heat

Lime Burners

Arsine
Carbon dioxide
Carbon monoxide
Heat
Inorganic dust containing no free silica
Selenium compounds

Lime Kiln Chargers

Carbon dioxide
Carbon monoxide
Inorganic dust containing no free silica

Lime Pullers (tannery)

Anthrax and glanders
Dampness

Lime Workers

Inorganic dust containing no free silica

Linen Workers

Organic dust

Linoleum Makers

Acrolein
Amyl acetate
Arsenic and its compounds
Barium
Benzine
Benzol and its homologues (xylol and toluol)
Carbon tetrachloride
Chromium compounds
Dampness
Heat
Inorganic dust containing no free silica
Lead and its compounds
Manganese
Methanol
Organic dust
Sudden variations of temperature
Sulphuric acid
Turpentine

Linotypers

Antimony and its compounds
Carbon monoxide
Lead and its compounds

Linseed Oil Boilers

Acrolein
Carbon dioxide
Lead and its compounds

Litharge Workers

Lead and its compounds

Lithographers

Aniline and other amino compounds of benzol and its homologues
Arsenic and its compounds
Benzine
Benzol and its homologues (xylol and toluol)
Chromium compounds
Hydrochloric acid
Inorganic dust containing no free silica
Lead and its compounds

*Occupations are arranged alphabetically and designated in bold type

Mercury and its compounds
Nitrous fumes and nitric acid
Oxalic acid
Repeated motion, pressure, shock, etc.
Sulphuric acid
Tetrachlorethane
Turpentine

Lithopone Makers
Barium
Cadmium

Lithotransfer Workers
Lead and its compounds

Locksmiths
Repeated motion, pressure, shock, etc.

Longshoremen
Anthrax and glanders
Manganese

Lumbermen
Sudden variations of temperature

Luminous Dial Factory Workers
X-rays, radium and other radioactive substances (radiothorium, mesothorium, etc.)

Luters (zinc smelting)
Heat
Zinc

Lye Makers
Potassium hydroxide

Machinists
Petroleum
Repeated motion, pressure, shock, etc.

Magnesium Alloy Makers
Magnesium

Mail Carriers
Dampness
Infections

Mail Sorters
Repeated motion, pressure, shock, etc.

Manganese Dioxide Workers
Manganese

Manganese Grinders
Manganese

Manganese Ore Separators
Manganese

Manganese Steel Makers
Manganese

Manometer Makers
Mercury and its compounds

Manure Handlers
Undulant fever

Marble Cutters
Inorganic dust containing no free silica

Marblers (glass)
Heat

Masons
Dampness
Inorganic dust containing free silica
Repeated motion, presure, shock, etc.

Masseurs
Infections

Match Factory Workers
Antimony and its compounds
Carbon disulphide
Chromium compounds
Dampness
Hydrogen sulphide
Inorganic dust containing no free silica
Lead and its compounds
Organic dust
Phosphorus
Potasium hydroxide

Mattress Makers
Anthrax and glanders
Organic dust

Meat Inspectors
Anthrax and glanders
Infections
Undulant fever

Meat Packing Employees (see packing house employees and slaughterhouse)

Mechanics (gas engines)
Carbon monoxide
Petroleum

Melters (foundry, glass)
Heat

Mercerizers
Hydrochloric acid
Sodium hydroxide
Sulphuric acid

Mercury Alloy Makers
Mercury and its compounds

Mercury Boiler Workers
Mercury and its compounds

Mercury Bronzers
Mercury and its compounds

Mercury Miners (see also miners)
Mercury and its compounds

Mercury Pump Workers
Mercury and its compounds

Mercury Salt Workers
Mercury and its compounds

Mercury Smelters
Carbon monoxide
Heat
Mercury and its compounds
Sulphur dioxide

Mercury Solder Workers
Mercury and its compounds

Mercury Still Cleaners
Mercury and its compounds

Mercury Switch Makers
Mercury and its compounds

Mercury Vapor Lamp Makers
Mercury and its compounds

Metallizers
Cadmium
Lead and its compounds
Selenium compounds
Zinc

Metal Polishers and Cleaners (see polishers and cleaners) (metal)

Metal Polish Makers (see polish makers)

Metal Turners
Inorganic dust containing no free silica

Metal Workers (see particular occupation)

Metal Washers
Benzine

Methane (synethetic) Makers
Carbon monoxide

Methyl Alcohol Workers
Acetone
Methanol
Carbon monoxide

Methyl Bromide Makers
Bromine
Methanol
Methyl bromide

Methyl Chloride Makers
Hyrochloric acid
Methanol
Methyl chloride

Methyl Compound Makers
Methanol

Methylene Chloride Workers
Methylene chloride

Mica Strippers or Splitters
Inorganic dust containing no free silica

Mica Workers
Inorganic dust containing no free silica

Microscopists
Repeated motion, pressure, shock, etc.

Milkers
Fungus infections
Repeated motion, pressure, shock, etc.

*Occupations are arranged alphabetically and designated in bold type

Milk Inspectors
Undulant fever

Millers
Fungus infections

Millinery Workers
Aniline and other amino compounds of benzol and its homologues
Benzine
Benzol and its homologues (toluol and xylol)
Methanol
Turpentine

Mineral Earth Workers
Inorganic dust containing no free silica

Miners
Asbestos
Carbon dioxide
Carbon monoxide
Dampness
Heat
Hydrogen sulphide
Inorganic dust containing free silica
Inorganic dust containing no free silica
Manganese
Nitrous fumes and nitric acid
Repeated motion, pressure, shock, etc.
Silver
Sudden variations of temperature

Minkery Workers
Anthrax and glanders

Mirror Silverers
Acetaldehyde
Ammonia
Benzol and its homologues (toluol and xylol)
Cyanogen compounds
Dampness
Formaldehyde
Formic acid
Lead and its compounds
Mercury and its compounds
Silver
Sudden variations of temperature

Mixers (felt hats)
Organic dust
Mercury and its compounds

Mixers (rubber)
Aniline and other amino compounds of benzol and its homologues
Antimony and its compounds
Arsenic and its compounds
Benzine
Benzol and its homologues (toluol and xylol)
Carbon tetrachloride
Chromium compounds
Inorganic dust containing no free silica
Lead and its compounds
Sudden variations of temperature

Mixing Room Workers (miscellaneous)
Inorganic dust containing no free silica
Organic dust

Mold Breakers (foundry)
Inorganic dust containing free silica
Inorganic dust containing no free silica

Mold Breakers (pottery)
Carbon monoxide

Molders (asbestos)
Asbestos

Mold Breakers (foundry)
Inorganic dust containing free silica
Inorganic dust containing no free silica

Monotypers
Antimony and its compounds
Carbon monoxide
Lead and its compounds

Mordanters
Amyl alcohol
Antimony and its compounds
Arsenic and its compounds
Benzine
Benzol and its homologues (toluol and xylol)
Chloride of lime
Chromium compounds
Cyanogen compounds
Formic acid
Nitrous fumes and nitric acid
Vanadium

Motion Picture Film Workers (see also pyroxylin plastics workers)
Amyl acetate
Butyl alcohol
Carbon monoxide
Tetrachlorethane

Motion Picture Machine Operators
Mercury and its compounds
Nitrous fumes and nitric acid
Ultraviolet and infrared rays

Motion Picture Studio Workers and Actors
Ultraviolet and infrared rays

Motormen
Sudden variations of temperature

Mottlers (leather)
Amyl acetate
Methanol

Muffle Tenders
Heat

Mule Handlers
Infections

Muriatic Acid Makers (see hydrochloric acid makers)

Muriatic Acid Mixers (see acid mixers)

Musical Instrument Makers
Lead and its compounds

Musicians
Repeated motion, pressure, shock, etc.

Napthylamine Workers
Aniline and other amino compounds of benzol and its homologues

Neon Lights Lettermakers
Carbon monoxide

Nickel Extractors
Nickel

Nickel Platers (see also electro platers)
Dampness

Nickel Purification Workers (mond process)
Nickel
Nickel carbonyl

Nitraniline Workers
Aniline and other amino compounds of benzol and its homologues

Nitrators
Nitrobenzol and other nitro compounds of benzol and its homologues
Nitrous fumes and nitric acid
Sulphuric acid

Nitric Acid Workers
Ammonia
Lead and its compounds
Nitrous fumes and nitric acid
Sulphuric acid

Nitrobenzene Workers (see nitrobenzol workers)

Nitrobenzol Workers
Benzol and its homologues (toluol and xylol)
Nitrobenzol and other nitro compounds of benzol and its homologues
Nitrous fumes and nitric acid
Sulphuric acid

Nitrocellulose Workers (see also pyroxylin plastics workers)
Acetone
Amyl acetate
Amyl alcohol

*Occupations are arranged alphabetically and designated in bold type

Arsine
Benzol and its homologues (toluol and xylol)
Methyl cellosolve
Nitrous fumes and nitric acid
Sulphuric acid

Nitroglycerin Makers

Arsine
Lead and its compounds
Nitroglycerin
Nitrous fumes and nitric acid
Sulphuric acid

Nitrous Oxide Workers
Nitrous fumes and nitric acid

Nurses

X-rays, radium and other radioactive substances (radiothorium, mesothorium, etc.

Oilcloth Makers (see linoleum makers)

Oilers

Petroleum

Oil Extractors (see extractors) (oils and fats)

Oil Flotation Plant Workers (see also concentrating mill workers)

Hydrogen sulphide
Petroleum
Sulphur dioxide

Oil Purifiers
Sulphuric acid

Oil Refiners (see petroleum refiners)

Oil Well Workers

Hydrogen sulphide
Petroleum

Open Hearth Department Workers (iron and steel)

Carbon monoxide
Heat

Ore Concentrating Mill Workers (see concentrating mill workers)

Oxalic Acid Makers

Cyanogen compounds
Nitrous fumes and nitric acid
Oxalic acid
Potassium hydroxide

Oxyacetylene Cutters (see welders)

Ozonators
Ozone

Packing House Employees (see also slaughterhouse workers)

Dampness
Heat
Hydrogen sulphide
Infections
Septic infections
Sudden variations of temperature
Undulant fever

Painters

Acetone
Amyl acetate
Amyl alcohol
Aniline and other amino compounds of benzol and its homologues
Antimony and its compounds
Arsenic and its compounds
Benzine
Benzol and its homologues (toluol and xylol)
Carbon disulphide
Carbon tetrachloride
Chromium compounds
Lead and its compounds
Manganese
Mercury and its compounds
Methanol
Nitrous fumes and nitric acid
Repeated motion, pressure, shock, etc.
Trichlorethylene
Turpentine

Painters (luminous watch and instrument dials)

X-rays, radium and other radioactive substances (radiothorium, mesothorium, etc.)

Painters (tar)

Tar and pitch

Paint Makers

Acetone
Amyl acetate
Amyl alcohol
Aniline and other amino compounds of benzol and its homologues
Antimony and its compounds
Arsenic and its compounds
Barium
Benzine
Benzol and its homologues (toluol and xylol)
Cadmium
Carbon disulphide
Carbon tetrachlorid
Chlorinated diphenyls
Chlorinated naphthalenes
Chrominum compounds
Dampness
Hydrochloric acid
Lead and its compounds
Magnesium
Manganese
Mercury and its compounds
Methanol
Phenol
Pyridine
Selenium compounds
Sodium hydroxide
Sulphuric acid
Tar and pitch
Titanium oxide
Trichlorethylene
Turpentine
Uranium

Paint Remover Makers

Benzine
Benzol and its homologues (toluol and xylol)
Butanone
Carbon tetrachloride
Cresol
Dichloroethyl ether
Dioxan
Furfural
Methanol
Methylene chloride
Phenol
Tetrachlorethane
Trichlorethylene

Paint Removers

Acetone
Amyl acetate
Benzine
Benzol and its homologues (xylol and toluol)
Carbon tetrachloride
Dichloroethyl ether
Inorganic dust containing no free silica
Lead and its compounds
Methylene chloride
Phenol
Tetrachlorethane
Trichlorethylene

Pair Heaters (tin plate)

Heat

Paper Box Makers

Repeated motion, pressure, shock, etc.

Paper Glazers

Arsenic and its compounds

Paperhangers

Arsenic and its compounds
Chromium compounds
Inorganic dust containing no free silica
Lead and its compounds

Paper Makers (see also particular occupation)

Ammonia
Amyl acetate
Arsine
Chlorine
Chromium compounds
Dampness
Formaldehyde
Fungus infections
Heat
Hydrochloric acid
Hydrofluoric acid
Hydrogen sulphide
Magnesium
Potassium hydroxide
Sodium hydroxide
Sulphur dioxide
Sulphuric acid
Sudden variations of temperature
Titanium oxide

Paper Money Makers

Chromium compounds

*Occupations are arranged alphabetically and designated in bold type

Paraffin Workers
- Acetone
- Benzol and its homologues (toluol and xylol)
- Carbon disulphide
- Carbon tetrachloride
- Ethylene dichloride
- Petroleum

Parakeet Handlers
- Infections

Paris Green Workers
- Arsenic and its compounds

Parrot Handlers
- Infections

Patent Leather Makers
- Amyl acetate
- Carbon monoxide
- Lead and its compounds
- Methanol
- Oxalic acid
- Ozone
- Sudden variations of temperature
- Sulphuric acid
- Turpentine

Pavers
- Heat
- Repeated motion, pressure, shock, etc.
- Tar and pitch

Pencil Makers
- Acetone
- Aniline and other amino compounds of benzol and its homologues
- Arsenic and its compounds
- Benzol and its homologues
- Chromium compounds (toluol and xylol)
- Pyridine

Perfume Makers
- Acetone
- Ammonia
- Amyl acetate
- Aniline and other amino compounds of benzol and its homologues
- Benzine
- Benzol and its homologues (toluol and xylol)
- Butyl alcohol
- Carbon tetrachloride
- Cresol
- Dichlorethylene
- Ethyl bromide and ethyl chloride
- Formic acid
- Hydrochloric acid
- Methanol
- Methyl chloride
- Methylene chloride
- Napthols
- Nitrobenzol and other nitro compounds of benzol and its homologues
- Phenol
- Potassium hydroxide
- Sulphuric acid
- Trichlorethylene

Petroleum Refiners
- Acetone
- Acrolein
- Ammonia
- Aniline and other amino compounds of benzol and its homologues
- Benzine
- Benzol and its homologues (toluol and xylol)
- Carbon monoxide
- Dampness
- Dichloroethyl ether
- Heat
- Hydrochloric acid
- Hydrogen sulphide
- Lead and its compounds
- Methylene chloride
- Nitrobenzol and other nitro compounds of benzol and its homologues
- Petroleum
- Sodium hydroxide
- Sulphur dioxide
- Sulphuric acid
- Trichlorethylene
- Turpentine

Pewter Makers
- Antimony and its compounds

Pharmaceutical Workers
- Acetone
- Acrolein
- Aniline and other amino compounds of benzol and its homologues
- Antimony and its compounds
- Arsenic and its compounds
- Benzol and its homologues (toluol and xylol)
- Bromine
- Calcium cyanimide
- Carbon dioxide
- Carbon tetrachloride
- Chloride of lime
- Dinitrophenol
- Dioxan
- Ethyl bromide and ethyl chloride
- Ethylene dibromide
- Ethylene dichloride
- Formic acid
- Magnesium
- Manganese
- Mercury and its compounds
- Methyl bromide
- Methyl chloride
- Methylene chloride
- Naphthols
- Nitroglycerin
- Nitrous fumes and nitric acid
- Organic dust
- Phenol
- Phenyl hydrazine
- Phosgene
- Phosphorus
- Picric acid
- Potassium hydrixide
- Sodium hydroxide
- Sulphuric acid
- Tellurium compounds
- Tetrachlorethane
- Tetrachlorthylene
- Trichlorethylene
- Turpentine
- Uranium

Phenol Makers
- Benzol and its homologues toluol and xylol
- Phenol
- Sulphuric acid

Phenyl Hydrazine Workers
- Phenyl hydrazine

Phosgene Makers
- Carbon monoxide
- Chlorine
- Phosgene

Phosphate Extractors
- Hydrochloric acid

Phosphate Mill Workers (see also fertilizer makers)
- Dampness
- Hydrofluoric acid
- Inorganic dust containing no free silica
- Phosphorus
- Sudden variations of temperature

Phosphine Workers
- Carbon monoxide
- Phosphuretted hydrogen

Phosphor-bronze Workers
- Phosphorus

Phosphoretted Hydrogen Workers
- Phosphuretted hydrogen

Phosphoric Acid Makers
- Cyanogen compounds
- Nitrous fumes and nitric acid
- Sulphuric acid

Phosphorus Compound Makers
- Hydrogen sulphide
- Phosphorus

Phosphorus Evaporated Machine Operators
- Dampness
- Phosphorus
- Sudden variations of temperature
- Sulphuric acid

Phosphorus Extractors
- Hydrofluoric acid
- Phosphorus
- Phosphuretted hydrogen

Phosphorus (red) Makers
- Phosphorus
- Phosphuretted hydrogen

*Occupations are arranged alphabetically and designated in bold type

Photoengravers
- Ammonia
- Amly acetate
- Benzol and its homologues (toluol and xylol)
- Chromium compounds
- Methanol
- Nitrous fumes and nitric acid
- Potassium hydroxide

Photographers (see also photographic material workers)
- Methanol
- Ultraviolet and infra red rays

Photographic Film Makers (see also pyroxylin-plastics workers)
- Amyl acetate
- Bromine
- Butyl alcohol
- Nitrous fumes and nitric acid
- Silver

Photographic Material Workers (see also photographic film makers)
- Acetaldehyde
- Acetone
- Ammonia
- Aniline and other amino compounds of benzol and its homologues
- Barium
- Benzol and its homologues (toluol and xylol)
- Chlorine
- Chromium compounds
- Cresol
- Cyanogen compounds
- Formaldehyde
- Hydrochloric acid
- Mercury and its compounds
- Phenol
- Picric acid
- Sulphuric acid
- Tellurium compounds
- Trichlorethylene
- Turpentine
- Uranium
- Vanadium

Photograph Retouchers
- Lead and its compounds

Photogravure Workers
- Cromium compounds
- Nitrous fumes and nitric acid

Physicians
- Carbon dioxide
- Mercurv and its compounds
- X-rays, radium, and other radioactive substances (radiothorium, mesothorium, etc.)

Picklers
- Arsine
- Cyanogen compounds
- Dampness
- Heat
- Hydrochloric acid
- Hydrofluoric acid
- Nitrous fumes and nitric acid
- Sulphuric acid

Picric Acid Makers
- Benzol and its homologues (toluol and xylol)
- Nitrous fumes and nitric acid
- Phenol
- Picric acid
- Sulphuric acid

Pigeon Fatteners
- Fungus infections

Pigment Makers (see color makers)

Pile Drivers
- Repeated motion, pressure, shock, etc.

Pilots (airplane) (see airplane pilots)

Pipe Fitters (see also particular liquid piped)
- Lead and its compounds

Pitch Workers
- Arsenic and its compounds
- Cresol
- Heat
- Tar and pitch

Planer Men (stone)
- Inorganic dust containing free silica
- Inorganic dust containing no free silica

Plasterers
- Anthrax and glanders
- Dampnes
- Inorganic dust containing no free silica

Plasters of Paris Workers
- Inorganic dust containing no free silica

Platers (see electroplaters and metallizers)

Platinum Extractors
- Bromine

Plumbers (see also particular substance piped)
- Arsine
- Carbon monoxide
- Lead and its compounds

Pneumatic Tool Workers
- Inorganic dust containing no free silica
- Repeated motion, pressure, shock, etc.

Policemen
- Carbon monoxide
- Dampness

Polishers and Cleaners (metal)
- Benzine
- Benzol and its homologues (toluol and xylol)
- Cyanogen compounds
- Hydrochloric acid
- Inorganic dust containing free silica
- Inorganic dust containing no free silica
- Lead and its compounds
- Methanol
- Organic dust
- Oxalic acid
- Pyridine
- Repeated motion pressure, shock, etc.
- Silver
- Trichlorethylene
- Turpentine

Polish Makers
- Amyl acetate
- Aniline and other amino compounds of benzol and its homologues
- Benzine
- Benzol and its homologues (toluol and xylol)
- Carbon tetrachloride
- Cyanogen compounds
- Dioxan
- Inorganic dust containing no free silica
- Methanol
- Nitrobenzol and other nitro compounds of benzol and its homologues
- Oxalic acid
- Trichlorethylene
- Turpentine

Porcelain Makers (see pottery workers)

Porters
- Repeated motion, pressure, shock, etc.

Potassium Hydroxide Makers
- Potassium hydroxide

Pot Fillers (glass)
- Heat

Potlifters (iron and steel)
- Heat

Pot Pullers (foundry)
- Heat

Pot Room Workers (aluminum foundry; carbide plant)
- Heat

Pot Setters
- Heat

Pottery Workers (see also particular occupation)
- Arsenic and its compounds
- Carbon dioxide
- Carbon monoxide
- Chromium compounds
- Cobalt
- Dampness
- Heat
- Hydrochloric acid

*Occupations are arranged alphabetically and designated in bold type

Hydrofluoric acid
Inorganic dust containing no free silica
Inorganic dust containing free silica
Lead and its compounds
Manganese
Mercury and its compounds
Seleniuum compounds
Sulphur dioxide

Pouncers (felt hats)
Inorganic dust containing free silica
Inorganic dust containing no free silica
Organic dust

Pourers (foundry)
Heat

Powder Makers (see smokeless powder makers)

Preparers (tannery)
Anthrax and glanders
Dampness
Septic infections

Preservative Makers and Handlers
Formaldehyde

Pressers
Carbon monoxide
Repeated motion, pressure, shock, etc.

Pressmen (oil refining)
Dampness
Petroleum

Pressmen (printers) (see printers)

Pressroom Workers (rubber)
Aniline and other amino compounds of benzol and its homologues
Antimony and its compounds
Arsenic and its compounds
Benzine
Benzol and its homologues (toluol and xylol)
Sudden variations of temperature

Primers (explosives)
Mercury and its compounds

Printers
Aniline and other amino compounds of benzol and its homologues
Antimony and its comopunds
Arsenic and its compounds
Benzine
Benzol and its homologues (toluol and xylol)
Carbon monoxide
Carbon tetrachloride
Cyanogen compounds
Inorganic dust containing no free silica
Lead and its compounds
Mercury and its compounds
Methanol
Tetrachlorethylene
Turpentine

Printers Textile (see textile printers)

Puddlers (iron and steel)
Carbon monoxide
Heat
Manganese

Pullers Out (felt hats)
Heat

Pulp Mill Workers (see also paper makers)
Dampness
Heat

Putty Makers
Benzine
Carbon disulphide
Inorganic dust containing no free silica
Lead and its compounds

Putty Polishers (glass)
Inorganic dust containing no free silica
Lead and its compounds

Pyridine Makers
Pyridine

Pyrites Burners
Arsenic and its compounds
Heat
Hydrogen sulphide
Inorganic dust containing no free silica
Selenium compounds
Sulphur dioxide

Pyroxylin Plastic Workers
Acetalydehyde
Acetone
Acrolein
Amyl acetate
Amyl alcohol
Aniline and other amino compounds of benzol and its homologues
Arsine
Benzine
Benzol and its homologues (toluol and xylol)
Butyl alcohol
Carbon monoxide
Carbon tetrachloride
Cyanogen compounds
Dichlorethylene
Dioxan
Ethylene dibromide
Hydrogen sulphide
Lead and its compounds
Methanol
Methyl cellosolve
Nitrous fumes and nitric acid
Organic dust
Sulphuric acid
Tetrachlorethane
Triorthocresyl phosphate

Quarrymen
Inorganic dust containing free silica
Inorganic dust containing no free silica
Repeated motion, pressure, shock, etc.

Quartz Workers
Inorganic dust containing free silica

Radioactive Paint Makers
X-rays, radium and other radioactive substances (radiothorium, mesothorium, etc.)

Radioactive Water Makers
X-rays, radium and other radioactive substances (radiothorium, mesothorium, etc.)

Radiologists
X-rays, radium and other radioactive substances (radiothorium, mesothorium, etc.)

Radio Tube Makers
Mercury and its compounds

Radium Miners
X-rays, radium and other radioactive substances (radiothorium, mesothorium, etc.)

Radium Ore Reduction Workers
X-rays, radium and other radioactive substances (radiothorium, mesothorium, etc.)

Radium Specialists
X-rays, radium and other radioactive substances (radiothorium, mesothorium, etc.)

Rag Workers
Anthrax and glanders
Organic dust
Septic infections

Rayon Makers
Ammonia
Amyl acetate
Arsine
Butyl alcohol
Carbon disulphide
Chlorinated diphenyls
Chlorine
Cyanogen compounds
Dichlorethylene
Dampness
Dioxan
Formaldehyde
Heat

*Occupations are arranged alphabetically and designated in bold type

Hydrochloric acid
Hydrogen sulphide
Methanol
Methylene chloride
Nitrous fumes and nitric acid
Oxalic acid
Sodium hydroxide
Sulphuric acid
Tetrachlorethane

Reclaimers (rubber)

Aniline and other amino compounds of benzol and its homologues
Benzol and its homologues (toluol and xylol)
Carbon disulphide
Hydrochloric acid
Lead and its compounds
Phenol
Sulphuric acid

Red Lead Workers

Lead and its compounds

Refiners (metals) (see also particular occupation)

Arsenic and its compounds
Arsine
Carbon monoxide
Heat
Hydrochloric acid
Lead and its compounds
Mercury and its compounds
Nitrous fumes and nitric acid
Sulphur dioxide
Sulphuric acid

Refiners (sugar) (see sugar refiners)

Refrigerating Plant Workers

Ammonia
Carbon dioxide
Dampness
Methyl chloride
Ozone
Sudden variations of temperature

Refrigerator (mechanical) Makers and Repair Men

Acrolein
Ethyl bromide and ethyl chloride
Methyl bromide
Methyl chloride
Methyl formate
Sulphur dioxide

Resins (synthetic) Makers

Acetaldehyde
Acetone
Chlorinated diphenyls
Chlorinated napthalenes
Cresol
Dichloroethyl ether
Formaldehyde
Furfural
Methanol
Methyl cellosolve
Organic dust
Oxalic acid
Phenol
Selenium compounds
Trichlorethylene
Vinyl chloride

Riveters

Lead and its compounds
Repeated motion, pressure, shock, etc.)

Road Repairers

Heat
Inorganic dust containing free silica
Inorganic dust containing no free silica
Tar and pitch

Roentgenologists

X-rays, radium and other radioactive substances (radiothorium, mesothorium, etc.)

Roller Coverers (cotton mill)

Heat
Organic dust

Rollers (metals)

Heat

Roll Setters (iron and steel)

Heat

Roll Wrenchers (iron and steel)

Heat

Roofers

Lead and its compounds
Sudden variations of temperature
Tar and pitch

Roofing Material Workers

Asbestos
Heat
Inorganic dust containing no free silica
Tar and pitch

Rope Makers

Organic dust
Tar and pitch

Rotogravure Workers

Benzol and its homologues (toluol and xylol)

Roughers (iron and steel)

Heat

Rubber Cement Makers (see cement mixers (rubber)

Rubber Glove Makers

Benzine

Rubberized Asbestos Board Makers

Benzine

Rubber (synthetic) Makers

Acetalydehyde
Amyl alcohol
Aniline and other amino compounds of benzol and its homologues
Chlorine
Chloroprene (2-chlorobutadiene)
Cresol
Nitrous fumes and nitric acid
Sulphur chloride

Rubber Tire Builders

Benzine
Benzol and its homologues (toluol and xylol)

Rubber Workers (see also particular occupation)

Acetone
Aniline and other amino compounds of benzol and its homologues
Antimony and its compounds
Arsenic and its compounds
Barium
Benzine
Benzol and its homologues (toluol and xylol)
Carbon disulphide
Carbon tetrachloride
Chromium compounds
Ethylene dichloride
Formaldehyde
Formic acid
Inorganic dust containing no free silica
Inorganic dust containing free silica
Lead and its compounds
Magnesium
Methanol
Nitrous fumes and nitric acid
Organic dust
Phenol
Pyridine
Sodium hydroxide
Sudden variations of temperature
Tellurium compounds
Tetrachlorethane
Trichlorethylene
Turpentine

Sagger Makers

Dampness
Inorganic dust containing no free silica
Lead and its compounds

Sailors

Carbon monoxide
Sudden variations of temperature
Repeated motion, pressure, shock, etc.

Salt Extractors (coke oven byproducts)

Ammonia
Sulphuric acid

Salt Preparers

Heat
Inorganic dust containing no free silica
Sudden variations of temperature

*Occupations are arranged alphabetically and designated in bold type

Sand Blasters
Inorganic dust containing free silica
Inorganic dust containing no free silica

Sand Cutters
Inorganic dust containing free silica

Sanders
Inorganic dust containing free silica
Inorganic dust containing no free silica

Sanding Machine Operators
Inorganic dust containing free silica
Inorganic dust containing no free silica

Sandpaperers (enameling and painting auto bodies, etc.)
Inorganic dust containing no free silica
Lead and its compounds

Sandpaper Makers
Inorganic dust containing free silica
Inorganic dust containing no free silica

Sand Pulverizers
Inorganic dust containing free silica

Saw Filers
Inorganic dust containing no free silica

Sawmill Workers
Organic dust

Sawyers
Repeated motion, pressure, shock, etc.

Sawyers (stone)
Inorganic dust containing free silica
Inorganic dust containing no free silica

Scissors Sharpeners
Inorganic dust containing no free silica
Repeated motion, pressure, shock, etc.

Scourers (belts)
Benzol and its homologues (toluol and xylol)

Scourers (metals)
Benzine
Carbon tetrachloride
Nitrous fumes and nitric acid
Sulphuric acid
Trichlorethylene

Scourers, Wood Lasts (shoes)
Organic dust

Scouring Powder Makers
Inorganic dust containing free silica
Inorganic dust containing no free silica

Scrapers (foundry)
Inorganic dust containing free silica
Inorganic dust containing no free silica

Screen Tenders (pulp mill)
Dampness

Screen Workers (lead and zinc smelting)
Inorganic dust containing no free silica
Lead and its compounds

Scrubwomen
Repeated motion, pressure, shock, etc.

Sealers (incandescent lamps)
Carbon monoxide

Sealing Wax Makers
Arsenic and its compounds
Turpentine

Seamstresses
Repeated motion, pressure, shock, etc.

Selenium Refiners
Selenium compounds

Sewage Purification Workers
Chlorine

Sewer Workers
Ammonia
Benzine
Carbon dioxide
Carbon monoxide
Dampness
Hydrogen sulphide

Sewing Machine Operators
Repeated motion, pressure, shock, etc.

Shade Cloth Makers
Benzine
Benzol and its homologues (toluol and xylol)

Shale Oil Workers (see petroleum refiners)

Shavers (felt hats; fur; tannery)
Anthrax and glanders
Dampness
Organic dust
Septic infections

Shearers
Infections
Undulant fever

Sheep Dip Makers
Arsenic and its compounds

Sheet Metal Workers
Lead and its compounds

Shellackers
Amyl acetate
Benzine
Benzol and its homologues
Carbon and its compounds (toluol and xylol)
Lead and its compounds
Methanol
Turpentine

Shellac Makers
Ammonia
Amyl acetate
Benzine
Benzol and its homologues (toluol and xylol)
Butyl alcohol
Lead and its compounds
Methanol
Turpentine

Shell Fillers
Dinitrophenol
Nitrobenzol and other nitro compounds of benzol and its homologues
Nitroglycerine
Picric acid

Shepherds
Anthrax and glanders
Infections

Sherardizers
Zinc

Shingle Stainers
Benzine

Shipyard Workers
Tar and pitch

Shoddy Workers
Anthrax and glanders
Arsine
Chlorine
Hydrochloric acid
Organic dust
Septic infections
Sulphuric acid

Shoe Dyers
Lead and its compounds
Nitrobenzol and other nitro compounds of benzol and its homologues

Shoe Factory Operatives (see also particular occupation)
Acetone
Amyl acetate
Anthrax and glanders
Benzine
Benzol and its homologues (toluol and xylol)
Carbon tetrachloride
Methanol
Organic dust

*Occupations are arranged alphabetically and designated in bold type

Tetrachlorethane
Trichlorethylne
Turpentine

Shoe Finishers
Ammonia
Amyl acetate
Amyl alcohol
Benzine
Benzol and its homologues (toluol and xylol)
Methanol
Sudden variations of temperature

Shoe Heel (wood) Coverers
Acetone
Amyl acetate
Benzine
Benzol and its homologues (toluol and xylol)
Methanol

Shoemakers (see cobblers)

Shooting Gallery Workers
Mercury and its compounds

Shot Makers
Antimony and its compounds
Arsenic and its compounds
Lead and its compounds

Shove in Boys (glass)
Heat

Shifters
Inorganic dust containing no free silica
Organic dust

Silicon Alloy Makers
Inorganic dust containing free silica

Silk Weighters
Lead and its compounds
Tin

Silk Workers
Organic dust
Septic infections

Silo Workers
Carbon dioxide

Silverers (mirror) (see mirror silverers)

Silver Foil Makers
Silver

Silver Melters
Carbon monoxide
Cyanogen compounds
Silver
Sudden variations of temperature

Silver Miners
Arsenic and its compounds

Silver Nitrate Makers
Silver

Silver Platers (see electroplaters
Silver

Silversmiths
Silver

Singers (cloth)
Carbon monoxide

Sintering Plant Workers
Inorganic dust (no silica)

Sizers (felt hats)
Heat
Mercury and compounds

Skimmers (glass)
Heat
Ultraviolet and infrared rays

Slag Workers
Heat
Inorganic dust (no silica)

Slate Workers
Inorganic dust (free silica)
Inorganic dust (no free silica)

Slaughter House Workers
Anthrax and glanders
Dampness
Infections
Septic infections
Undulant fever

Slip Makers (pottery)
Dampness
Inorganic dust (no free silica)
Lead and its compounds

Slushers (porcelain-enameling)
Lead and its compounds

Smelters (see particular metal)
Heat
Inorganic dust (free silica)
Inorganic dust (no free silica)
Sulphur dioxide

Smokeless Powder Makers
Acetone
Amyl acetate
Amyl alcohol
Benzol and its homologues
Nitrobenzol and other nitro compounds of benzol
Nitrous fumes and nitric acid
Nitroglycerin
Phenol
Picric acid

Smoothers (glass)
Dampness
Inorganic dust (no silica)

Soap (abrasive) Workers
Inorganic dust (no free silica)
Inorganic dust (free silica)

Soap Makers
Acetylene tetrachloride
Acrolein
Amyl acetate
Arsenic and its compounds
Benzol and its homologues toluol and xylol
Carbon tetrachloride
Dampness
Dichlorethyl ether
Dichlorethane
Formaldehyde
Formic acid
Hydrochloric acid
Hydrogen sulphide
Manganese
Methanol
Nitrobenzol and other nitro compounds of benzol and its homologues
Organic dust
Perchlorethylene
Potassium hydroxide
Septic infections
Sodium hydroxide
Sudden variations in temperature
Sulphuric acid
Tar and pitch
Trichlorethylene

Soda Makers
Ammonia
Arsine
Carbon dioxide
Carbon monoxide
Chlorine
Dampness
Hydrogen sulphide
Nitrous fumes and nitric acid
Sulphuric acid

Sodium Hydroxide Makers
Chlorine
Dampness
Sodium hydroxide

Sodium Silicate Makers
Inorganic dust (free silica)

Sodium Sulphide Makers
Hydrogen sulphide

Softeners (tannery)
Organic dust

Solderers
Arsine
Cadmium
Carbon monoxide
Cyanogen compounds
Hydrochloric acid
Lead and its compounds
Ultraviolet and infrared rays

Solder Makers
Antimony and its compounds
Cadmium
Lead and its compounds

Sale Stitchers (blake machine)
Mercury and its compounds

Soot Packers
Arsenic and its compounds
Organic dust

Spice Makers
Organic dust

Spinners (asbestos)
Asbestos dust

*Occupations are arranged alphabetically and designated in bold type

Spinners (textile)
Organic dust
Repeated motion, shock and pressure

Spongers
Dampness
Heat

Sprayers (Metals) (see metallizers)

Sprayers (Paint) (see painters)

Sprayers (tree)
Arsenic and its compounds
Cyanogen compounds
Lead and its compounds

Spreaders (rubber works)
Carbon tetrachloride
Sudden variations of temperature

Stablemen
Anthrax and glanders
Ammonia
Fungus infections
Undulant fever

Stamp Mill Workers
Dampness
Heat
Inorganic dust (free silica)
Inorganic dust (no free silica)

Starch Makers
Carbon dioxide
Hydrogen sulphide
Organic dust

Starters (felt hats)
Heat
Mercury and its compounds

Statuary Workers
Inorganic dust (free silica)
Inorganic dust (no silica)

Steam Fitters (see pipe fitters)

Stearic Acid Makers
Acrolein
Sudden variations of temperature

Steel Alloy Makers (see alloy makers)

Steel (chrome) Makers
Chromium compounds

Steel Engravers (see engravers)

Steeple Jacks
Carbon monoxide

Stereotypers
Antimony and its compounds
Lead and its compounds
Sudden variations of temperature

Stiffeners (felt hats)
Mercury and its compounds
Methanol

Still (coal tar) Cleaners
Benzol and its homologues (xylol and toluol)
Heat
Tar and pitch

Stillmen (carbolic acid)
Heat
Phenol

Stillmen, Operating (see also particular chemicals)
Heat

Stitchers (shoes)
Methanol

Stockmen
Undulant fever

Stockyard Workers (see slaughter house workers)

Stokers
Carbon monoxide
Heat
Inorganic dust (no free silica)
Sudden variations of temperature

Stone (artificial) Makers
Inorganic dust (free silica)
Inorganic dust (no free silica)

Stone Cleaners
Hydrofluoric acid
Oxalic acid

Stone Cutters
Dampness
Inorganic dust (no free silica)
Repeated motion, pressure and shock, etc.

Stone Masons
Inorganic dust (free silica)
Inorganic dust (no free silica)

Stone Workers
Inorganic dust (free silica)
Inorganic dust (no free silica)

Storage Battery Makers
Amyl acetate
Antimony and its compounds
Arsine
Cadmium
Carbon monoxide
Lead and its compounds
Mercury and its compounds
Nickel
Sulphur dioxide
Sulphuric acid

Straw Cutters
Fungus infections

Straw Hat Makers
Acetylene tetrachloride
Acrolein
Amyl acetate
Chloride of lime
Formaldehyde
Methanol
Organic dust
Sudden variations in temperature

Street Cleaners
Inorganic dust (no free silica)
Organic dust
Undulant fever

Street Repairers
Heat
Inorganic dust (free silica)
Inorganic dust (no free silica)
Tar and pitch

Submarine Workers
Arsine
Carbon dioxide
Chlorine

Subway Construction Workers
Inorganic dust (free silica)

Sugar Refiners
Ammonia
Barium
Carbon dioxide
Chlorine
Dampness
Heat
Hydrochloric acid
Hydrogen sulphide
Inorganic dust (no silica)
Organic dust
Sudden variations of temperature
Sulphur dioxide
Sulphuric acid

Sulphate Makers
Sulphuric acid

Sulphides Makers
Hydrogen sulphides

Sulphide Cooks (pulp mill)
Heat
Sudden variations of temperature
Sulphur dioxide

Sulphur Chloride Makers
Chlorine
Hydrochloric acid
Hydrogen sulphide
Sulphur chloride

Sulphur Dioxide Makers
Carbon monoxide
Sulphur dioxide

Sulphurers (malt and hops)
Sulphur dioxide

Sulphur Extractors
Carbon disulphide

*Occupations are arranged alphabetically and designated in bold type

Sulphuric Acid Workers
- Ammonia
- Arsenic and its compounds
- Arsine
- Hydrogen sulphide
- Lead and its compounds
- Nitrous fumes and nitric acid
- Selenium and its compounds
- Sulphur dioxide
- Sulphuric acid
- Vanadium

Sulphur Miners
- Hydrogen sulphide
- Sulphur dioxide

Sumackers (tannery)
- Anthrax and glanders
- Dampness

Surgical Dressing Makers
- Phenol

Tablehands (tannery)
- Anthrax and glanders
- Dampness

Table Operatives (iron and steel)
- Heat

Table Turners (enameling)
- Inorganic dust (no free silica)
- Lead and its compounds
- Sudden variations of temperature

Tailors
- Repeated motion, pressure and shock

Takers Down (glass)
- Carbon monoxide
- Heat

Talc Workers
- Inorganic dust (no free silica)

Tallow Refiners
- Acrolein
- Carbon disulphide
- Septic infections
- Sulphuric acid

Tank Cleaners (see also particular chemical)
- Arsine
- Benzine
- Benzol
- Hydrofluoric acid
- Tar and pitch
- Tetraethyl lead

Tank Men
- Dampness
- Heat

Tannery Workers
- Ammonia
- Amyl acetate
- Aniline and other amino compounds of benzol and its homologues
- Anthrax and glanders
- Arsenic and its compounds
- Benzine
- Chloride of lime
- Chromium and its compounds
- Cyanogen and its compounds
- Dampness
- Formaldehyde
- Formic acid
- Hydrochloric acid
- Hydrogen sulphide
- Lead and its compounds
- Mercury and its compounds
- Oxalic acid
- Picric acid
- Septic infections
- Sodium hydroxide
- Sulphur dioxide
- Sulphuric acid

Tapers (airplanes)
- Acetylene tetrachloride

Tappers (smelting) (see also particular metal)
- Heat

Tar (distillery) Workers
- Arsenic and its compounds
- Cresol
- Heat
- Tar and pitch (see coal tar workers)

Taxidermists
- Anthrax and glanders
- Arsenic and its compounds
- Mercury and compounds
- Organic dust
- Septic infections

Tear Gas Makers (see war gas makers)

Teazers (glass)
- Carbon monoxide
- Heat

Telegraphers
- Repeated motion, pressure, and shock, etc.

Telephone Linemen (trench work) (see also cable splicers)
- Carbon monoxide
- Dampness

Temperers
- Carbon dioxide
- Carbon monoxide
- Cyanogen compounds
- Heat
- Lead and its compounds
- Mercury and its compounds
- Petroleum
- Sulphuric acid

Tetraethyl Lead Makers
- Bromine
- Lead and its compounds
- Tetraethyl lead

Textile (asbestos) Workers
- Asbestos dust

Textile Comb Makers
- Inorganic dust (no free silica)

Textile Finishers (see particular occupation)

Textile Printers
- Amyl acetate
- Aniline and other amino compounds of benzol and its homologues
- Antimony and its compounds
- Arsenic and its compounds
- Cadmium
- Carbon monoxide
- Chlorine
- Cromium and its compounds
- Cyanogen and its compounds
- Formaldehyde
- Heat
- Hydrochloric acid
- Lead and its compounds
- Manganese
- Mercury and its compounds
- Methanol
- Nitrous fumes and nitric acid
- Phenol
- Sudden variations in temperature
- Sulphuric acid
- Turpentine
- Vanadium

Textile Workers (see particular occupation)
- Dampness
- Heat
- Organic dust
- Sudden variations of temperature

Thallium Workers
- Thallium

Thermometer Makers
- Mercury compounds
- Methyl chloride
- Thallium

Thread Glazers
- Heat
- Sudden variations of temperature

Tile Makers (see also pottery workers)
- Dampness
- Heat
- Inorganic dust (free silica)
- Inorganic dust (no free silica)
- Lead and its compounds
- Sudden variations of temperature
- Uranium

Tin Foil Makers
- Heat
- Lead and its compounds

Tinners
- Acrolein
- Ammonia

*Occupations are arranged alphabetically and designated in bold type

Arsenic and its compounds
Arsine
Dampness
Heat
Hydrochloric acid
Lead and its compounds

Tin Plate Mill Workers (see iron and steel workers)

Tin Recovery Workers
Chlorine

Tire Builders (see rubber tire builders)

Tobacco Denicotinizers
Ethylene dichloride
Trichlorethylene

Tobacco Moisteners
Carbon dioxide
Dampness

Tobacco Seedling Treaters
Benzol and its homologues (xylol and toluol)

Tobacco Workers
Nicotine
Organic dust

Tongsmen (iron and steel)
Heat

Tool Makers
Inorganic dust (no free silica)

Top Fillers (foundry)
Inorganic dust (no free silica)
Heat
Carbon monoxide

Towermen (sulphuric acid) (see also sulphuric acid workers)
Arsine
Nitrous fumes and nitric acid
Sulphur dioxide
Sulphuric acid

Toy Makers
Amyl acetate
Arsenic and its compounds
Lead and its compounds

Transfer Workers (pottery)
Lead and its compounds
Turpentine

Transparent Wrapping Materials Workers
Acetone
Carbon disulphide
Hydrochloric acid
Hydrogen sulphide
Sodium hydroxide
Sudden variations of temperature
Sulphuric acid

Trappers
Infections

Treaders (rubber)
Benzine
Benzol and its homologues (xylol and toluol)

Tree Sprayers (see sprayers tree)

Trichlorethylene Workers
Trichlorethylene

Trinitrotoluol
Benzol and its homologues (xylol and toluol)
Nitrobenzol and other nitro compounds of benzol and its homologues

Tube Makers (glass)
Heat

Tubulators (incandescent lamps)
Carbon monoxide

Tumbling Barrel Worker
Inorganic dust (free silica)
Inorganic dust (no free silica)

Tunnel Workers
Carbon dioxide
Compressed air (increase atmospheric pressure)
Hydrogen sulphide
Inorganic dust (free silica)
Inorganic dust (no free silica)
Nitrous fumes and nitric acid

Tunners-Out (glass)
Heat

Turpentine Extractors
Heat
Turpentine

Type Cleaners
Benzine
Methanol

Type Founders
Antimony and its compounds
Lead and its compounds

Type Melters
Acrolein
Lead and its compounds

Type Setters (see compositors)

Typists
Repeated motion, pressure, and shock, etc.

Ultramarine Blue Makers
Sulphur dioxide

Upholsterers
Anthrax
Methanol
Organic dust

Uranium Miners
Uranium
X-rays, radium and other radioactive substances (radiothorium, mesothorium, etc.)

Uranium Workers
Uranium
X-ray, radium and other radioactive substances (radiothorium mesothorium, etc.)

Vanadium Steel Workers
Heat
Vanadium

Vapor Curers (see vulcanizers)

Varnishers
Acetaldehyde
Acetone
Amyl acetate
Amyl alcohol
Aniline and other amino compounds of benzol and its homologues
Benzine
Benzol and its homologues (toluol and xylol)
Butyl alcohol
Carbon tetrachloride
Dichlorethylene
Ethylene dichloride
Formic acid
Lead and its compounds
Methanol
Tetrachlorethane
Trichlorethylene
Turpentine

Varnish Makers
Acetaldehyde
Acetone
Acetylene tetrachloride
Amyl acetate
Ammonia
Amyl alcohol
Aniline and other amino compounds of benzol and its homologues
Barium
Benzine
Benzol and its homologues (xylol and toluol)
Butyl alcohol
Carbon tetrachloride
Chlirinated dyphenyls
Chlorinated hydrocarbons
Dichlorethylene
Diethylene dioxide
Ethylene dichloride
Hexone
Lead and its compounds
Manganese
Methanol
Methyl cellosolve
Ozone
Phenol
Sodium hydroxide
Sulphur dioxide
Sudden variations of temperature
Turpentine
Trichlorethylene

Varnish Remover Makers
Benzine
Benzol and its homologues toluol and xylol
Dichloroethyl ether
Hexanone
Pentanone
Tetrachlorethane

*Occupations are arranged alphabetically and designated in bold type

Varnish Removers

Benzine
Benzol and its homologues (toluol and xylol)
Dichloroethyl ether
Hexanone
Pentanone
Tetrachlorethane

Vatmen

Carbon dioxide
Dampness
Heat

Vat Varnishers (see varnishers)

Vault Workers

Carbon dioxide

Velvet Makers

Arsenic and its compounds
Heat

Veterinarians

Anthrax and glanders
Infections
Septic infections
Undulant fever

Vignetters

Hydrochloric acid

Vinegar Workers

Carbon dioxide
Heat

Vintners

Carbon dioxide

Vinyl Chloride Makers

Vinyl chloride

Vulcanizers

Ammonia
Aniline and other amino compounds of benzol and its homologues
Antimony and its compounds
Benzine
Benzol and its homologues (toluol and xylol)
Carbon dioxide
Carbon disulphide
Carbon tetrachloride
Chromium compounds
Dampness
Heat
Hydrogen sulphide
Methanol
Selenium compounds
Sudden variations of temperature
Sulphur chloride
Sulphur dioxide

Vulcanizers (steam)

Wallpaper Printers

Arsenic and its compounds
Chromium compounds
Heat
Lead and its compounds
Sudden variations of temperature

Warehouse Workers

Anthrax and glanders

War Gas Makers

Arsine
Benzol and its homologues (toluol and xylol)
Bromine
Chlorine
Cyanogen compounds
Dimethyl sulphate
Phosgene
Picric acid
Sulphuric chloride

Warming House Employees (guncotton)

Sudden variations of temperature

Washers

Dampness

Washers (metal) see also degreasers)

Benzine

Washwomen

Dampness
Repeated motion, pressure, shock, etc.

Watch Dial (luminous) Painters

X-rays, radium and other radioactive substances (radiothorium, mesothorium, etc.)

Watchmakers

Repeated motion, pressure, shock, etc.

Water Gilders

Mercury and its compounds

Waterproofers (paper and textile)

Benzine
Benzol and its homologues (toluol and xylol)
Carbon tetrachloride
Chromium compounds
Formaldehyde
Tar and pitch

Water Purifiers

Barium
Chloride of lime
Chlorine
Ozone

Wax Makers (see also petroleum)

Benzol and its homologues (toluol and xylol)
Chlorinated diphenyls
Chlorinated napthalenes
Ozone
Sulphuric acid
Tetrachlorethane
Turpentine

Wax Ornament Makers

Acrolein
Arsenic and its compounds
Chromium compounds

Weavers

Organic dust
Repeated motion, pressure, shock, etc.

Weavers (asbestos)

Asbestos

Weighers

Inorganic dust containing no free silica
Organic dust

Welders

Arsenic and its compounds
Benzol and its homologues (toluol and xylol)
Cadmium
Carbon monoxide
Chromium compounds
Copper
Heat
Hydrofluoric acid
Lead and its compounds
Manganese
Mercury and its compounds
Nitrous fumes and nitric acid
Ozone
Phosphorus
Phosphuretted hydrogen
Selenium compounds
Ultraviolet and infrared rays
Zinc

Well Workers

Carbon dioxide

White Lead Workers

Carbon dioxide
Lead and its compounds

Window Shade Makers

Benzine
Benzol and its homologues (toluol and xylol)

Wire Drawers

Arsenic and its compounds
Hydrochloric acid
Sulphuric acid

Wirers (incandescent lamps)

Amyl acetate

*Occupations are arranged alphabetically and designated in bold type

Wood Alcohol Distillers

Acetone
Carbon monoxide
Methanol

Wooden Heel Workers

Anthrax and glanders

Wood Last Scourers (shoes)

Organic dust

Wood Polishers (see furniture polishers)

Wood Preservers

Arsenic and its compounds
Dinitrophenol (1-2-4)
Mercury and its compounds
Phenol
Sulphuric acid
Tar and pitch

Wood Stainers

Chromium compounds
Lead and its compounds

Woodworkers

Benzine
Methanol
Organic dust

Wool Carders

Anthrax and glanders
Organic dust

Wool Scourers

Acetone
Ammonia
Anthrax and glanders
Dampness
Sudden variations of temperature

Wool Spinners

Anthrax and glanders
Organic dust

Wool Workers (see also particular occupation)

Anthrax and glanders
Organic dust

Wringers (guncotton)

Nitrous fumes and nitric acid

X-ray Machine Makers

X-rays, radium and other radioactive substances (radiothorium, mesothorium, etc.)

X-ray Photographers

X-rays, radium and other radioactive substances (radiothorium, mesothorium, etc.)

X-ray Technicians

X-rays, radium and other radioactive substances (radiothorium, mesothorium, etc.)

X-ray Tube Makers

X-rays, radium and other radioactive substances (radiothorium, mesothorium, etc.)

Yeast Makers

Acetaldehyde
Carbon dioxide
Hydrofluoric acid
Sulphuric acid

Zinc Chloride Makers

Arsine
Chlorine
Hydrochloric acid

Zinc Electrode Makers

Mercury and its compounds

Zincers

Cyanogen compounds

Zinc Miners (see also miners)

Arsenic and its compounds
Lead and its compounds
Manganese

Zinc Smelters and Refiners

Antimony and its compounds
Arsenic and its compounds
Carbon monoxide
Heat
Inorganic dust containing free silica
Inorganic dust containing no free silica
Lead and its compounds
Manganese
Seleninum compounds
Sulphur dioxide
Tellurium compounds
Zinc

Zoological Technicians

Undulant fever

*Occupations are arranged alphabetically and designated in bold type

SECTION III.

IMPORTANT PHYSICAL PROPERTIES AND PRINCIPAL USES OF CERTAIN TOXIC SUBSTANCES, WITH CHIEF DIAGNOSTIC SIGNS, AND SYMPTOMS OF INJURY OR OTHER DISABILITY

SECTION III

IMPORTANT PHYSICAL PROPERTIES AND PRINCIPAL USES OF CERTAIN TOXIC SUBSTANCES WITH CHIEF DIAGNOSTIC SIGNS OF INJURY OR OTHER DISABILITY

Toxic Substance	Ordinary State	Fire Hazard	Probable Safe Concentration*	Principal Uses & Processes Producing Potential Hazard	Mode of Entrance into Body	Diagnostic Signs and Symptoms
Acetaldehyde	Liquid	Dangerous	None adopted. Less toxic than formaldehyde	Organic synthesis; silvering mirrors; dye mfg.; disenfectants; rubber mfg.; explosives	In the form of vapor thru respiratory organs and mucous membranes	Irritation of mucous membranes of eyes and respiratory tract, dyspnea and cough, acceleration of heart, profuse night sweats.
Acetanilide (Also see Aniline)	White leaf crystals	None	None adopted. Less toxic than aniline	Medicine; addition to cellulose ester "dopes" and lacquers; dye, paint and rubber mfg.	Thru respiratory and digestive organs	Cyanosis or blueness of lips and finger tips, mental confusion, dizziness.
Acetone	Liquid	Explosive	200 p.p.m. (1)	Organic synthesis; solvent; varnishes; lacquers; mfg. of celluloid; mfg. of chloroform; airplane-dope	Direct action on skin; thru respiratory organs	Irritation of skin and mucous membranes of eyes and respiratory tract.
Acetylene	Gas	Explosive	None adopted, but 90,000 p.p.m. bearable for 1 hour	Organic synthesis; illumination; oxy-acetylene welding and cutting of metals	Thru respiratory organs	Headache, nausea, general malaise, feeling of suffocation, vertigo.
Acridine	Colorless crystalline needles	None	None adopted	Dye mfg.; acridine workers	Exerts effect in any state of aggregation on skin and mucous membranes	Irritation of skin and mucous membranes of eyes and respiratory tract, violent sneezing.
Acrolein	Liquid	Slight	3.3 p.p.m.	Organic synthesis; mfg. of military poison gas; refrigerants; soap and varnish mfg.	As vapor thru respiratory organs and mucous membranes; direct action on skin	Excessive irritation of skin and mucous membranes of eyes and respiratory tract; bronchial catarrh dyspnea.
Aluminum	Metal; dust	Explosive	None adopted	Metal alloys; paint		Not generally regarded as an industrial poison.
Amino Compounds (Also see Aniline)	Crystals; powder; liquid	None	See specific compound	Organic synthesis; dye mfg.; photographic developers; paints; disinfectants; varnishes; printing	Respiratory organs, digestive tract and absorption thru skin	Pallor followed by cyanosis, especially of lips and finger tips, weakness, somnolence, irritability, mental confusion, headache and vertigo, muscular tremor and convulsions, eczematous eruptions, weak pulse, brownish discoloration of blood and urine, disorders of the bladder, (tumors, etc.).
Ammonia	Gas	Explosive	100 p.p.m.	Organic preparations; refrigeration; bronzing; electro-plating; galvanizing; dye and color mfg.; sugar refining	As a gas thru respiratory organs	Irritation of respiratory passages, cough and dyspnea, pulmonary edema, bronchitis, severe irritation of eyes, conjunctivitis, caustic action on skin.
Amyl Acetate	Liquid	Explosive	400 p.p.m.	Preparation of flavoring compounds; bronzing liquids; metallic paints; perfumery; soap	As vapor thru respiratory organs	Irritation of mucous membranes of eyes, nose, throat and bronchial tubes; headache and vertigo, drowsiness, oppression in chest, cough, nausea.
Amyl Alcohol	Liquid	Dangerous	55.6 p.p.m.	Organic synthesis; brewing; paint and rubber mfg.; lacquers, varnishes	As vapor thru respiratory organs	Irritation of eyes and respiratory tract, headache and vertigo, dyspnea and cough, nausea, vomiting, diarrhea.
Aniline	Oily Liquid	None	5 to 7 p.p.m.	Organic synthesis; dye mfg.; rubber industry; paint and varnish mfg.; disinfectants; explosives	Absorption thru skin. Thru respiratory and digestive organs	Acute:—Muscular weakness, vertigo, pallor, cyanosis of lips, slow pulse, fainting, possible death. Chronic:—Nervous symptoms, disturbances of sensibility and equilibrium, nausea, vomiting, diarrhea, eczema.
Antimony and Its Compounds	Crystals; powder; metal	Dangerous	None adopted	Metallurgy; paints; mordant; storage batteries; electrotypers; enameling; lead and zinc mining and smelting	Direct action on skin. As dust or vapor thru respiratory organs; digestive tract and mucous membranes	Inflammation of mucous membranes of nose, mouth and throat. Intestinal disorders. Irritation and eczematous eruptions of the skin. Metal fume fever (usually associated with lead and arsenic in most of its industrial uses.
Arsenic	Crystals	None	None adopted	Medicine; arsenic salts; metallurgy; insecticides; lead, copper and zinc mining and smelting	As gas and dust thru respiratory organs; mucous membranes and digestive organs	Toxic effects on digestive system, liver, kidneys, circulatory system and heart. Loss of hair and nails. Perforation of septum. Local ulceration. Metal fume fever.

*The "probable safe concentrations" listed in this column have been compiled from numerous sources. But four, namely, carbon monoxide, hydrogen sulphide, carbon disulphide and benzol (benzene) have been completed by the American Standards Association. A number of others are in the process of completion. The concentration designated for cadmium represents an emergency standard completed by the A. S. A. These five are the only concentrations adopted by Utah, however, most of the others are based on a wide experience and have been recommended by reliable sources.

(1) Parts per million.

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Toxic Substance	Ordinary State	Fire Hazard	Probable Safe Concentration*	Principal Uses & Processes Producing Potential Hazard	Mode of Entrance into Body	Diagnostic Signs and Symptoms
Arsenic Compounds (Except Arsine)	Crystals; power	Dangerous	(Trioxide) 0.5 mg./cu.m.(1)	Analytical chemistry; paint pigments; medicine; depilatory agent; leather industry; copper, lead and zinc mining and smelting; dye and varnish mfg.; paints, laquers	See Arsenic	Acute poisoning:—Constriction of the esophagus, pains in stomach, vomiting, diarrhea, bluish skin, headache, faintness, loss of consciousness, convulsions, death. Chronic poisoning; persistent headache, sleeplessness, gastric disturbances, vomiting, diarrhea, catarrh of the mucous membranes, skin diseases, loss of hair and nails, chilliness, weakness of the muscles.
Arsine (Arseniuretted-hydrogen)	Gas	Slightly	1 p.p.m.(2)	Organic synthesis; military poison gas	As gas thru respiratory organs	Severe headache, nausea, vomiting, hemoglobinuria, gastric disorders; shivering and chills, jaundice.
Barium and Compounds	Metal; crystaline powder	Explosive	None adopted	Paint mfg.; sugar refining; fire works mfg.; dye mfg.; insecticides	Direct action on skin; ingestion of soluble salts	Dermatitis, whitening and loss of hair, paralysis, acceleration of the heart, cyanosis of the skin, gastric pain and vomiting.
Bezine (Naptha-gasoline)	Liquid	Explosive	1000 p.p.m.	Solvent; motor fuel; dry cleaning; paint, varnish, soap mfg.; rubber industry	Vapor, thru respiratory organs and at times by absorption thru skin	Headache, vertigo, nausea, vomiting cough, irregular respiration, weakness of heart, muscular twitching, drowsiness, "Naptha jag," dermatitis.
Benzol (Benzene)	Liquid	Explosive	75-100 p.p.m.	Solvent; motor fuel; paint and varnish removers; organic preparations; airplane industry; dye and varnish mfg.; rubber industry; welders; dry cleaning	Vapor, thru respiratory organs; reabsorption thru skin	Headache an vertigo, gastrointestinal disturbances, hemorrhages, purpura, injury to blood-forming organs with marked but varied changes in the blood picture—slight polycythemia followed by leukopenia, erythropenia, anemia, and so forth; injury to blood vessels, heart, liver, kidneys, and nervous system; marked susceptibility to infection, local irritation, (bronchitis, conjunctivitis, gingivitis, and so forth). In acute poisoning; inebriation, staggering gait, twitchings, convlusions, and loss of consciousness. Note:—The effects of toluol and xylol differ from those of benzol particularly as regards their effects on the blood and blood-forming organs. Neither of these compounds produce the changes in the blood characteristic of benzol. It is important to note however that the toluol and xylol used in industry are frequently mixed with benzol.
Beryllium	Metal; powder	None	None adopted	Metal alloys	Fumes thru respiratory tract	Metal fume fever (see Zinc). Severe lung injury has been reported from the extraction of beryllium, but this is thought to be due to the fluorine compounds used in the process of extraction.
Brass (Zinc)	Metal	None	15 mgs./cu.m.	Metallurgy; organic synthesis; welding; brass foundries	As a dust or fumes, irritating respiratory system and entering alimentary canal	Headache, general malaise, irritation of throat, cough, slight nausea, severe chills with fever, profuse perspiration, muscular pains, exhaustion. Metal fume fever.
Bromine	Liquid	None	1 p.p.m.	Organic synthesis; dyes; bromides; military poison gas; explosives	As a vapor thru respiratory system	Irritation of air passages, bronchitis, conjunctivitis, skin eruptions, brownish discloration of skin and mucous membranes.
Butanone (methylethyl ketone)	Liquid	Slight	None adopted	Pyroxylin mfg.; artificial leather mfg.; paint removers; cosmetic mfg.	Absorption by skin, respiratory tract and mucous membranes	Irritation of eyes and nose (Warning odor.)
Butyl Acetate	Liquid	Dangerous	400 p.p.m.	Lacquer mfg.; straw hat mfg.; leather mfg.; plastics; safety glass	Mucous membranes; fumes and vapors thru respiratory tract	(See Amyl Acetate)
Butyl Alcohol (n-Butanol)	Liquid	Dangerous	100 p.p.m.	Mfg. fruit essences; organic synthesis; artificial leather; perfumes; dye mfg.; varnishes	Direct action on skin; as a vapor thru respiratory system	No case of industrial poisoning has been reported, but it has been considered a contributing cause in a number of cases of poisoning. Animal experimentation showed marked dermatitis, early liver degeneration, a definite decrease in red-blood cells, with an absolute and relative lymphocytosis.
Cadmium	Metal	None	.1 mg./cu.m.	Alloys; cadmium salts; dental amalgam; electro plating; storage batteries; lead and zinc smelters	Fumes thru respiratory tract	Loss of appetite, weakness, nausea, vomiting, rapid pulse, fatty degeneration of liver, inflammation of kidneys, inflammation of lungs, cough, soreness of chest. Metal fume fever.
Calcium Cyanamide	Crystals	None	None adopted	Fertilizers; nitrogen products; farming	Direct action on skin. As a dust thru the respiratory organs, digestive tract, and visible mucous membranes	Severe irritation of nose, throat, eyes, and skin. Conjunctivitis, tonsilitis, laryngitis, bronchitis, dermatitis.

*See Note Page 51. (1) Milligrams per cubic meter. (2) Parts per million.

Toxic Substance	Ordinary State	Fire Hazard	Probable Safe Concentration*	Principal Uses & Processes Producing Potential Hazard	Mode of Entrance into Body	Diagnostic Signs and Symptoms
Carbon Dioxide	Gas	None	5,550 p.p.m. (1)	Aerating water, wine, beer, etc.; mfg. of soft drinks; fire extinguisher; refrigerant; chemical reagents; mining	In form of gas by inhalation	Large quantities cause sudden death by suffocation. Smaller quantities—vertigo, disturbances of respiration, ringing in ears, headache, dyspnea, drowsiness, muscular weakness.
Carbon Disulphide	Liquid	Explosive	20 p.p.m.	Solvent; varnishes; preservative; insecticides; mfg. of carbon tetrachloride; enameling	In form of vapor thru respiration. Absorption thru skin.	Headache, vertigo, weakness, psychical effects, disturbances of sensation, digestive disturbances, polyneuritis, irritation of skin.
Carbon Monoxide	Gas	Explosive	100 p.p.m.	Not an article of commerce —caused by incomplete combustion	As a gas thru respiratory system	Acute:—Slow pulse, vertigo, headache, nausea, redness and suffusion of skin, dyspnea, fever, marked leukocytosis, coma and death. Chronic:—Headache, nausea, vomiting, anemia, palpitation, insomnia, failure of memory.
Carbon Tetrachloride	Liquid	None	100 p.p.m.	Solvent; fire extinguishers; cleaning compounds; airplane dope; dye, paint and lacquer industries	As vapor thru respiratory organs	Irritation of nose, throat and eyes. Nausea, cough, headache, marked excitement, vomiting, vertigo, mental dullness, confusion. Injury to liver, jaundice, nephritis, dermatitis, narcosis.
Cellosolve (monoethyl Ethylene Glycol)	Liquid	Slight	500 p.p.m.	Lacquer mfg.; paint mfg.; solvent for nitro-cellulose	Mucous membranes; vapor thru respiratory tract	U. S. Bureau of Mines found that men exposed to 0.6% for a few seconds reported the atmosphere to be irritating to the eyes and have a very disagreeable odor. However, actual examinations of workers in lacquer and paint manufacture by the British Factory Dept. in 1934 revealed very little evidence of any injury to health from the use of cellosolve.
Chloride of Lime	Powder	Explosive	None adopted	Textile bleaching; organic synthesis; disinfectant; deodorizer; dye mfg.	As a gas thru inhalation; as vapor and dust irritating eyes, lungs and skin	Bronchitis, dyspnea, asthma, conjunctivitis, eczema, ulcers of the skin.
Chlorinated Diphenyls	Solids	None	1 mg./cu.m.	Electrical equipment; lacquer mfg.; paint mfg.; rayon mfg.; wax makers	Direct action on skin; vapors thru respiratory tract	Acneform skin eruptions, jaundice, and atrophy of liver.
Chlorinated Hydrocarbons						(See specific hydrocarbon such as carbon tertachloride, etc.)
Chlorinated Naphthalenes	Solids	None	"Penta" 0.5 mg./cu.m. (2) "Tri" 5.0 m./cu.m. above "tri" 1.0 mg.cu.m.	Degreasing; paint mfg.; lacquer mfg.; wax makers; electrical equipment mfg.	Direct action on skin; vapor thru respiratory tract	Acneform skin eruptions, jaundice and atrophy of liver.
Chlorine	Gas; liquid	Explosive	1 p.p.m.	Organic synthesis; textile bleaching; water purification; military poison gas; chlorination	As a gas thru respiratory system	Acute:—Large quantities cause cardiac paralysis, smaller quantities cause burning and stinging of the skin with formation of blisters, papules; cough, dyspnea, bronchitis, spasm of the glottis; perspiration; feeble pulse. Chronic:—Gastritis, anemia, nasal and bronchial catarrh, furunculosis, decayed teeth.
Chlorobenzene (Monochloro benzene)	Colorless liquid	Slight	75 p.p.m.	Solvent for cellulose acetate, resins, oils, fats, lacquers; and as a dry cleaning compound	Vapors thru respiratory tract	Acute:—Severe somnolence to loss of consciousness with cyanosis. Blood changes described as similar to nitrobenzol derivatives. Chronic:—Headache, giddiness.
Chlorodinitrobenzol						(See Nitrobenzol)
Chloroform	Liquid	None	100 p.p.m.	Solvent for fats, oils, rubber, waxes and resins; artificial silk mfg.	Vapor thru respiratory tract	Feeling of warmth, irritation of nose, throat and skin, loss of reflexes, shallow respiration, unconsciousness, paralysis, cardiac and respiratory failure.
Chloronitrobenzol						(See Nitrobenzol)
Chloroprene (2-chlorobutadiene)	Liquid	None	None adopted; 0.3 mg/liter may cause toxic symptoms	Synthetic rubber	Direct action on skin; vapor thru respiratory tract	Narcotic properties but is mainly characterized by its injurious effect on the liver and toxic effect on the kidneys and circulation. Chloroprene vapors mixed with air cause a primary irritation of the respiratory tract.

*See Note Page 51. (1) Parts per million. (2) Milligram per cubic meter.

PROPERTIES AND USES OF TOXIC SUBSTANCES WITH DIAGNOSTIC SIGNS OF INJURY

Toxic Substance	Ordinary State	Fire Hazard	Probable Safe Concentration*	Principal Uses & Processes Producing Potential Hazard	Mode of Entrance into Body	Diagnostic Signs and Symptoms
Chromium compounds	Metal; crystals	Dangerous	.1 mg./c.m. (1)	Fur dyeing; metallurgy; electroplating; chromium salts; printing; tanning	As dust and fumes irritating respiratory mucous membranes and skin	Bronchitis, bronchopneumonia, otitis, conjunctivitis, gastritis, anemia, nephritis, eczema, ulcers of the skin and mucous membranes, ulceration and perforation of the nasal septum.
Cobalt	Metal	None	None adopted	Glass mfg.; steel alloy makers; pottery mfg.	Vapor thru respiratory tract	A case of poisoning with severe damage to the liver and kidneys was reported from a French tile factory. Animal experiments reveal polycythemia. Metal fume fever (see Zinc) has been reported.
Copper	Metal	None	None adopted	Metallurgy; electrical equipment; chemical apparatus; copper salts; alloys; coinage	As dust from filings irritating the respiratory mucous membranes; and thru the alimentary canal	Bronchitis, vomiting, gastritis. (See Zinc.)
Cresol (Cresylic Acid)	Liquid	Dangerous	None adopted	Wood preservative; disinfectants; synthetic resins; explosives; insecticides	As a vapor thru the respiratory organs and visible mucous membranes. Direct action on skin.	Toxic effects resemble those of phenol. The chief symptoms are irritation and erosion of skin and mucous membranes, and nephritis.
Cyanogen and compounds	Gas; crystals	Dangerous (Gas)	18 p.p.m (2)	Extraction of gold and silver from ores; photography; dyeing; printing; electroplating; organic synthesis; military poison gas; insecticide; steel mfg.	As gas or dust thru respiratory system; as liquid or solid form thru the skin	Acute:—Exposure to large amounts of hydrogen cyanide causes death from asphyxia almost immediately. Exposure to lesser amounts causes irritation of eyes and mucous membranes, headache, dizziness, nausea, vomiting; diarrhea, shortness of breath; palpitation of the heart, trembling, muscle cramps, shallow breathing, convulsions, unconsciousness. Hydrogen cyanide and cyanide solutions also cause skin eruptions. Chronic:—Exposure to small amounts of cyanide compounds over a long period of time is reported to cause loss of appetite, weakness, nausea, muscle cramps, unsteady gait, paralysis of arms and legs, psychoses.
Dichloro-ethylene	Liquid	Slight	100 p.p.m.	Varnishers; rayon mfg.; dry cleaning; perfume mfg.	Mucous membranes; vapor thru respiratory tract	Irritant and narcotic properties. Post mortem findings of men overcome by the vapors of dichlorethylene show an excess of fat in the blood suggesting death from embolism rather than asphyxiation.
Dichloroethyl Ether	Liquid		15 p.p.m.	Textile industry; treating lubricating oils, synthesis of new chemical compounds	Vapor thru respiratory tract, mucous membranes	Irritation of eyes and nose, nausea, marked irritation of respiratory passages and lungs.
Dimethyl Sulphate	Liquid	None	None adopted; minimum lethal conc. 97 p.p.m. 10 min. exposure	Methylating agent for amines and phenols; perfume mfg.	As a gas thrus the respiratory organs; as a fluid, irritating the skin	Burns of skin and mucous membranes, pains in neck and thorax, lacrimation, conjunctivitis, photophobia, edema or cornea, ulcers of bronchial mucosa with aspiration, pneumonia, convulsions, paralysis, coma, death.
Dinitrobenzol						(See Nitrobenzol)
Dinitrophenol (1-2-4)	Crystalline solid	None	None adopted; less toxic than nitrobenzol	Explosive mfg.; dye mfg.; wood preserving	Thru digestive tract; direct action on skin	Burning thirst, sweating, panting, excitement, high fever, patchy yellow skin, and convulsions. After ingestion, evidence of liver and blood damage have been observed. Bilateral cataracts have also occurred as a sequella.
Dioxan (Diethylene Dioxide)	Liquid	Explosive	1000 p.p.m.	Lacquer mfg.; rayon mfg.; dye mfg.; varnish mfg.	Thru mucous membranes; vapor thru respiratory tract; absorption thru skin	Headache, vertigo, drowsiness, irritation of eyes, nose, throat, and lungs, gastric disturbances injury to liver and kidneys.
Ethyl Benzene	Liquid	Explosive	Less than 1000 p.p.m. similar to gasoline	Anti-knock gasoline; lacquer mfg.; general solvent	Mucous membranes; vapor thru respiratory tract	Causes warning symptoms such as irritation to the eyes and respiratory passages before dangerous concentrations are reached.
Ethyl Bromide	Liquid	Explosive	1700 p.p.m.	Refrigeration; anesthetic	Vapor thru respiratory tract; mucous membranes tory organs	(See Methyl Chloride)
Ethyl Chloride	Gas	Explosive	20,000 p.p.m.	Medicine, local anesthetic; organic synthesis, refrigeration; solvent, perfume mfg.	As a gas thru the respiratory organs	Dizziness, drunkenness, apathy, persistent somnolence, loss of power in the legs, uncertain gait, disturbances of vision. (See Methyl Chloride)

*See Note Page 51. (1) Milligrams per cubic meter. (2) Parts per million.

Toxic Substance	Ordinary State	Fire Hazard	Probable Safe Concentration*	Principal Uses & Processes Producing Potential Hazard	Mode of Entrance into Body	Diagnostic Signs and Symptoms
Ethylene Dibromide	Liquid	None	None adopted	Gasoline blending; plastic mfg.; fire extinguisher mfg.	Vapor thru respiratory tract; mucous membranes	Irritation of eyes and respiratory tract, vomiting, headache, anorexia, pallor, weakness, vertigo.
Ethylene Dichloride	Liquid	Explosive	100 p.p.m. (1)	Organic synthesis; solvents; anesthetic; thinner for lacquer	As a vapor thru respiratory tract; mucous membranes	Irritation of eyes and nose, vertigo, static and motor ataxia, retching, unconsciousness—death if exposure is prolonged.
Ethylene Oxide	Gas (room temp.)	Explosive	Less than 250 p.p.m.	Insecticides; cellosolve mfg.; synthesis of organic compounds	Mucous membranes; vapor thru respiratory tract	Headache, vomiting, dyspnea, diarrhea, irritation of mucous membranes of nose and eyes, vertigo, nausea, lymphocytosis, dullness, disturbances of respiration and of heart action, pulmonary edema.
Ethyl Ether (Sulphuric (Ether)	Colorless liquid	Dangerous	400 p.p.m.	Solvent; diluent; denaturant, and extracting agent; mfg. of medicinals; anesthetic	Vapors thru respiratory tract	Stupor, also slight irritation of mucous membranes, loss of appetite, headache, and loss in weight. Anesthesia, unconsciousness, paralysis, death.
Ethyl Silicates	Liquid	Slight	Less than 500 p.p.m.	Silica-gel mfg.; waterproofing agent; glass mfg.	Mucous membranes; vapor thru the respiratory tract	Animal experimentation shows these compounds to be toxic, but no cases have been reported from industrial exposure.
Fluorine and Its Compounds						See Hydrofluoric Acid)
Formaldehyde	Liquid	None	20 p.p.m.	Organic synthesis; dyestuffs; rubber goods; inks; leather tanning; phenol and creosol; synthetic resins and lacquers	As vapor thru the respiratory organs and mucous membranes; skin irritant	Irritation of mucous membranes, conjunctivitis, bronchitis, dyspnea, severe dermatitis, destruction of finger nails; degeneration of the liver.
Formic Acid	Liquid	Explosive	None adopted	Dyeing industry; leather tanning; rubber mfg.; reducing agent	Vapor thru mucous membranes; direct action on skin	(See also Formaldehyde) Dermatitis (blisters, ulcerations, necrosis), irritation of mucous membranes of eyes, nose and throat.
Furfural	Liquid	Explosive	None adopted	Dye mfg.; varnish mfg.; resin mfg.; paint remover	Vapor thru mucous membranes	Vapors are irritating and may be dangerous to eyesight
Gasoline (Benzine)	Liquid	Explosive	1000 p.p.m.	Fuel for internal combustion engines; solvent; paint mixing; rubber cements	(See Benzine)	(See Benzine)
Hexanone (Methyl-butyl ketone)	Liquid	Slight	Less than 1500 p.p.m. (Ample warning)	Lacquer mfg.; varnish removers; solvent	Vapor thru mucous membranes	According to the U. S. Bureau of Mines, men exposed to 0.23, 0.65 and 2.0 percent vapor in air, pronounced the atmosphere extremely disagreeable even for a short time (¼ to 1 minute) because of strong odor and irritation to eyes and nasal passages. One-tenth of 1 per cent was found to have a strong odor and moderate eye and nasal irritation. Concentrations producing no marked symptoms and apparanetly harmless to guinea pigs after one exposure of several hours have distinct warning properties of both odor and irritation that are very disagreeable to human beings.
Hexone (Methyl Iso Butyl ketone)	Liquid	Slight	None adopted 100 p.p.m. (Ample warning)	Solvent; lacquer mfg.	As a vapor thru nasal mucous	Irritation of conjunctival and nasal mucosa.
Hydrochloric Acid	Liquid	None	10 p.p.m.	Chrome tanning; leather industry; organic synthesis; dyestuffs; chlorides; medicine, in organic preparations	As a gas thru the respiratory system; direct action on the skin and visible mucous membranes	Violent coughing, dyspnea, bronchitis, destruction of teeth, contraction of throat, coma, caustic action on skin.
Hydrocyanic Acid	Liquid	None	20 p.p.m.	Chemical analysis; medicine; insecticide; organic synthesis; military poison gas	As fumes thru the respiratory system. Does not irritate the respiratory mucosa	In non-fatal doses: Vertigo, marked pallor, great prostration, feeble pulse and voice and cold sweats. The urine and exhaled breath may possess an odor of bitter almonds. Itching in the nose, with watery discharge and irritation of the throat. Large doses are instantly fatal.
Hydrofluoric Acid	Liquid	None	3 p.p.m.	Ceramics; brewing and yeast; etching glass	As gas thru the respiratory organs. Direct action on the skin and mucous membranes.	Conjunctivitis, bronchial catarrh, ulceration of the nostrils, gums and oral mucous membranes, ulcers of the cuticle, suppuration under the finger nails. Caustic action on skin.
Hydrogen Sulphide						(See Sulphuretted hydrogen)
Iodine	Crystals	None	.05 to 1.0 p.p.m.	Dye mfg.; soaps, germicide; pharmaceutical mfg.	As a vapor thru respiratory system and mucous membranes	Irritation of mucous membranes of eyes and nose, inflammation of lungs.

*See note page 51. (1) Parts per million.

Toxic Substance	Ordinary State	Fire Hazard	Probable Safe Concentration*	Principal Uses & Processes Producing Potential Hazard	Mode of Entrance into Body	Diagnostic Signs and Symptoms
Iron Carbonyl						(See Nickel Carbonyl)
Iron Oxide	Fumes	None		Welding	Fumes thru respiratory tract	Metal fume fever.
Lead	Metal	None	0.15 mg./cu.m. (1)	Chemical apparatus; storage batteries; lead pigments; solder; alloys; piping; insulator; mining and smelting	As vapor or dust thru the respiratory organs, and digestive tract	Weakness, pallor, metallic taste in the mouth and fetid breath, lack of appetite, deposit of lead line on gums and presence of lead in urine. These symptoms are associated with anemia, gastritis, constipation, loosening of teeth, pain in the joints, paralysis, abdominal cramps and colic. Stippled red blood corpuscles.
Lead Compounds	Crystals; powder	Dangerous (Nitrates)	.15 mg./cu.m.	Medicine; lead salts; weighting silk; paint pigments; insecticides	As vapor or dust thru the respiratory organs and digestive tract. Thru the skin	(See Lead).
Magnesium	Metal	Explosive	15 mg./cu.m.	Alloys; paint mfg.; glass mfg.; rubber mfg.; magnesium refining; aeroplane parts.	As dust and fumes thru respiratory tract; particles under skin.	Metal fume fever. (See Zinc)
Manganese Dioxide	Solid; powder	None	5-50 mgs./cu.m.	Steel alloys; mining; match mfg.; glass mfg.; dry cell batteries	Fumes and dust thru respiratory tract	Languor and sleepiness, stolid mask-like facial expression, low monotonous voice, muscular twitching, varying from a fine tremor of hands to gross rythmical movements of arms, legs, trunk and head; cramps and stiffness of muscles in legs, increase in tendon reflexes, ankle and patellar clonus, retropulsion and propulsion, slapping gait, uncontrollable laughfer and crying. Metal fume fever. (See Zinc)
Mercury	Liquid metallic element	None	.1-.2 mg./cu.m.	Mercury salts; thermometers; mercury vapor lamps; chemical processes	As vapor and dust thru respiratory organs. As solid thru the skin	Chronic inflammation of the gums and muocus membrane of the mouth; loss of teeth, necrosis of the jaw, ulcers in the mouth and pharynx, chronic gastritis, enteritis, anemia, furunculosis, anesthesia, mental depression, tremors of the hands and muscles of the face.
Methane	Gas	Explosive	None adopted	Coal mining; processing of coal	Gas thru respiratory tract	Headache, drowsiness (chief danger is from xeplosion).
Methyl Alcohol (Methanol)	Liquid	Explosive	100 to 200 p.p.m. (2)	Solvent for varnish gums; organic synthesis; fuel general solvent; dye mfg.	As vapor by inhalation	Irritation of eyes and respiratory passages, vomiting, vertigo, dyspnea, fatal paralysis of the heart, chills, thirst, dilated immobile pupils, optic neuritis, blindness, abdominal cramps, paralysis, delirium, coma.
Methyl Bromide	Liquid	None	50-100 p.p.m.	Organic synthesis; anilin dye making	As gas thru the respiratory organs and mucous membranes	Irritation of respiratory passages, muscular twitchings, cramps, convulsions, disturbance of sight, fever, delirium, coma. Nervous symptoms—unsure gait, heightened reflexes, loss of visual acuity, loss of memory, irritable temper—may persist for a long time. (See note under Methyl Chloride)
Methyl Cellosolve (Ethylene Glycol Mono-methyl Ether)	Liquid	Slight	Less than 25 p.p.m.	Solvent; laquer mfg.; fused colar mfg.; varnish making; dye mfg.; areoplane dope; solvent, resin, nitrocellulose	As a vapor thru respiratory system	While it is not positively established, recent studies suggest that methyl cellosolve may affect the blood and blood-forming organs and the nervous system.
Methyl Chloride	Gas	None	500 p.p.m.	Medicine; refrigeration; dye mfg.; chloroform mfg.; thermometers	As a gas thru the respiratory organs	Progressive drowsiness, insomnia, headache, vertigo, nausea, anorexia, apathy, staggering gait, mental confusion, weakness, visual disturbances, tremors, presence of formates and acetone in urine. NOTE: The U. S. Bureau of Mines studied the acute response of guinea pigs to a single exposure to vapors of methyl chloride, methyl bromide, ethyl bromide, and ethyl chloride. According to this Bureau all four produced similar symptoms, including excitement, loss of equilibrium, inability to walk, rapid pulse, convulsive rapid respiration with rales, frothy (often blood-tinged) exudate from nostrils. The signs of lung irritation were not as pronounced for exposure to ethyl chloride as for the other compounds. The gross pathology was quite similar for all four of these alkyl halides and was characterized by congestion, hemorrhage, and edema of the lungs, and by injury to the vascular system, as shown by the tendency toward hemorrhage. Congestion was present in

*See note page 51. (1) Milligrams per cubic meter. (2) Parts per million.

Toxic Substance	Ordinary State	Fire Hazard	Probable Safe Concentration*	Principal Uses & Processes Producing Potential Hazard	Mode of Entrance into Body	Diagnostic Signs and Symptoms
Methyl Chloride (Cont.)						the organs of all groups, but parenchymal degeneration was most marked in those exposed to methyl-bromide vapors. A distinct delayed effect of exposure was noted with methyl bromide and methyl chloride, to a lesser extent with ethyl bromide, but was not observed with ethyl chloride.
Methylene Chloride (Dichloromethane)	Lqiuid	None	None adopted but less toxic than methyl chloride	Solvent: cellulose, fats, oils, resins, rubber; anesthetic cleaning fluids; artificial silk mfg.	Vapor thru respiratory tract	Headache, giddiness, stupor-irritability, numbness and tingling in the limbs, labored breathing, rapid weak pulse, cyanosis and possibly some degree of chronic anemia.
Methyl Formate	Liquid	Dangerous	Less than 1500 p.p.m. (1)	Fumigants; refrigerant	Aa s vapor thru respiratory tract	According to the U. S. Bureau of Mines, men exposed for one minute to 0.15% vapor in air noticed the pleasant ethereal odor of methyl formate, but experienced no nasal or eye irritation or other signs or symptoms. While the odor of methyl formate is distinct and noticeable in concentrations which are relatively safe from the standpoint of producing acute poisoning, owing to its pleasant nature and the occurrence of olfactory fatigue it is doubtlful whether the odor of methyl formate will serve as an effective warning of harmful conditions of exposure.
Naphtha	Liquid	Dangerous	5000 p.p.m.	Rubber mfg.; paint mfg.; solvent	As vapor thru respiratory tract	(See Benzine)
Naphthols	Crystalline	None	None adopted	Dye mfg.; chemical mfg.	Direct action on skin; may be absorbed thru skin. As vapor thru respiratory organs	Irritation of skin and kidneys. Injury to cornea and lens. In addition restlessness, vomiting, delirium, convulsions, and later, somnolence, paralysis, coma, and death.
Naphthylamines						See aniline and other amino compounds of benzol and its homologues.
Nickel	Metal	None	None adopted	Alloys; electroplating; storage battery mfg.	Direct action on skin when in solution; as dust thru respiratory system	The only lesion reported to be caused by nickel, apart from the toxic effects of nickel carbonyl, is nickel eczema. This condition is reported mostly among nickel platers who are exposed to many dermatis-producing substances. Some authorities question whether nickel is the responsible agent.
Nickel Carbonyl	Liquid	Explosive	None adopted	Production of metallic nickel	As a gas thru the respiratory organs	Giddiness, headache, nausea, constipation, dyspnea, cough, retrosternal soreness and epigastric pain, sleeplessness, cyanosis, edema of lungs, pain in the loins, hemorrhages—especially in the brain and the adrenals. Metal-fume fever. (See Zinc.)
Nicotine	Dust; liquid	None	5mg./cu.m. to 30 mg./cu.m. (2)	Tobacco production; insecticides; fertilizer	Absorption thru skin as a liquid; as a dust thru respiratory system	Acute cases may be fatal. In less severe cases there may be severe prostration, gastric upsets, cardio-vascular collapse, precordial distress, dyspnea. Toxic amblyopia has been reported by some authorities to be a chronic effect of nicotine poisoning.
Nitraniline						(See Aniline.)
Nitric Acid & Nitrous Fumes	Liquid	Explosive when in contact with combustible material	10-40 p.p.m.	Organic synthesis; mfg. of dyestuffs, drugs, explosives, celluloid and nitrates; metallurgy; medicine; photo engraving	As vapor thru respiratory system, and direct action on the skin	Irritation of air passages, spasmodic cough, dyspnea, pulmonary edema, bronchitis, feeling of suffocation, pain in chest, digestive disturbances, peripheral vasodilatation, methemoglobinemia and its sequelae, and depression of the central nervous system, corrosion of teeth, severe burns on the skin. Continued exposure to diluted fumes is said to cause chronic inflammation of the respiratory tract and a general disability characterized by headache, sleeplessness, anorexia, gradual loss of strength, dyspepsia, constipation, and ulcers on the lips and mucous membranes of the mouth and pharynx.
Nitro-benzol & Other Compounds of Nitro-benzol	Liquid	Dangerous	1-5 p.p.m.	Perfumes; mfg. of aniline; mfg. of dust preventatives; mfg. of inks; explosives; gasoline blenders; shell fillers	As a vapor thru respiratory system; absorption thru skin	Cyanotic face and lips, somnolence, headache, vertigo, nausea and vomiting; odor of bitter almonds in breath; unsteady gait, tremors, muscular twitching, and other manifestations of nerve injury; anemia, visual disturbances, methemoglobin formation, presence of hematoporphyrin, albumin, and sometimes free poison in urine; eczematous eruptions.

*See note page 51. (1) Parts per million. (2) Milligrams per cubic meter.

Toxic Substance	Ordinary State	Fire Hazard	Probable Safe Concentration*	Principal Uses & Processes Producing Potential Hazard	Mode of Entrance into Body	Diagnostic Signs and Symptoms
Nitro-Glycerine	Liquid	Explosive	10-40 p.p.b. (1)	Explosives; medicine; shell fillers; pharmaceuticals	Inhalation of vapor thru respiratory tract; absorption thru skin	Redness of face and conjunctivae, intense headache, mental disturbances, vertigo, fainting, tremors, burning sensations in throat and stomach, nausea, vomiting, colic. Chronic:—Digestive disturbances and neuralgia.
Nitro-Naphthalene	Crystals	Explosive		Deystuffs	See Nitro benzol)	(See Nitro benzol.)
Oxalic Acid	Crystalline solid	None	None adopted	Bleaching; dyeing; shoe polishes; dry cleaning; dye mfg.; bookbinding	Direct action on skin and mucous membranes as dust	Local caustic action on skin, bluish discoloration and brittleness of nails, irritation of mucous membranes, including those of esophagus, stomach and intestines; peripheral circulatory trouble, cardiac weakness, nervousness, convulsions.
Ozone (O^3)	Gas	Explosive	1 p.p.m.	Oxidizing agent; bactericide; bleaching oils, waxes, textiles, etc.	As a gas thru respiratory tract	Irritation of eyes and respiratory tract, headache, cough, pulmonary edema, depression and coma.
Pentanone (Methyl Prophyl ketone)	Liquid	Dangerous	1500 p.p.m.	Organic solvent; lacquer mfg.	As a vapor, direct action on mucous membranes	Irritation of eyes and nasal passages; larger doses cause narcosis.
Perchlorethylene						(See Tetra Chlorethylene.)
Petroleum & Its Volatile Products	Liquid; solids	Dangerous	(See Benzine)	Motor fuels; lubricants	As a solid, direct action on skin; as a vapor thru respiratory organs	(See also Benzine.) Irritation to skin and respiratory organs; may cause acute inflammation to the lungs and headache, sensory disturbances, etc. Workers in petroleum refineries are subject to acne, keratosis, epithelioma, and melanosis from petroleum, paraffin, and petroleum residue. Workers exposed to petroleum oils and greases in a number of industries are subject to folliculitis, boils and papillomas.
Phenol (Carbolic Acid)	Crystalline solid	Slight when heated	None adopted	Phenol, formaldehyde, resins mfg.; germicides; chemical mfg.	As a vapor thru digestive tract and respiratory tract; direct action on skin and mucous membrane; absorption thru skin	Erosion of the skin, eczema, gangrene, irritation of the respiratory organs and eyes. Symptoms of acute poisoning following splashing with phenol or inhaling its vapors include: Headache, vertigo, nausea, tinnitus, fainting, dyspnea, excitement convulsions, respiratory paralysis. Symptoms of chronic exposure include: Emaciation, vomiting, diarrhea, anorexia, headache, vertigo, nephritis, degeneration of liver, circulatory disturbances.
Phenyl Hydrazine	Crystals or liquid	None	None adopted	Organic synthesis; reagent in anlytical chemistry	Absorption thru skin	Vesicular eruption, burning of skin, diarrhea, granular degeneration of red cells, methemoglobin, weakness.
Phosgene	Liquid	None	1 p.p.m.	Lethal gas; dystuff mfg.; chlorinating agents; bleaching sand for glass mfg.	As a vapor thru respiratory system	Irritation of eyes, bronchitis; erosion of lung tissue, intense dyspnea and pulmonary edema, cyanosis, feeble heart, death in coma.
Phosphorus	Crystals	Explosive	0.7 p.p.m. as trichloride	Mfg. rat poison; prdouction of phosphorus; alloys; explosives; fire works; insecticides	As a vapor thru respiratory system; as a solid thru digestive system	Increasingly severe toothache, digestive disturbances, swelling and ulcertation of the gums and buccal membrane, loosening and falling out of the teeth, suppuration and destruction of jawbone with fistulous channels burrowing through the cheek, meningeal inflammation, emaciation. Necrosis of the bones, other than the jawbone, has also been reported. A different type of poisoning marked by generalized systemic effects is also recognized.
Phosphuretted Hydrogen (Phosphine)	Gas	Dangerous	2 p.p.m.	Blast furnaces; welding; acetylene work; phosphorus extraction; organic preparations	As a gas thru respiratory organs	Oppression in chest, headache and vertigo, gastro-intestinal irritation, dyspnea, general debility, tinnitus aurium, tremors and convulsions, pain in the region of the diaphragm and feeling of chill. Symptoms similar to those of phosphorous poisoning are said to have resulted from prolonged exposure to low concentration of phosphine.
Picric Acid (Trinitrophenol)	Crystals	Explosive	None adopted	Explosives; medicine; dyeing silk; disinfectant; dye mfg.; photography; tanning	As dust thru respiratory system; direct action on skin	Gastritis, vomiting, diarrhea, vertigo, coryza, decomposition of the blood, convulsions, yellow discoloration of the skin and conjunctivae, inflammation of mucous membranes.
Potassium Hydroxide	Deliquescent pieces, lumps or sticks	Dangerous	None adopted	Soap mfg.; bleaching; medicine; reagent in analytical chemistry; ink mfg.; metal mfg.; soap mfg.	Direct action on the skin as dust attacking the visible mucous membranes and digestive organs	Deadly if swallowed. Severe chemical burning of the skin and mucous membranes. Formation of deep seated and persistent ulcers, loss of nails.

*See note page 51. (1) Parts per million.

Toxic Substance	Ordinary State	Fire Hazard	Probable Safe Concentration*	Principal Uses & Processes Producing Potential Hazard	Mode of Entrance into Body	Diagnostic Signs and Symptoms
Pyridine	Liquid	Dnagerous	None adopted	Denaturant for alcohol; medicine; solvent in rubber, paint and other industries; explosives; paint mfg.	As a vapor thru the respiratory organs; direct action on the skin	Hoarseness, laryngitis, headache, vertigo, tremors, choking, weakness of the extremities, eczema.
Radium						(See Radiant Energy, Sec. IV.)
Selenium Compounds	Semi-metallic crystals	None	None adopted	Glass mfg.; paint mfg.; alloys; anti-oxidants; lead and zinc smelting; welding; cement mfg.	Direct action on skin as dust; fumes or vapors, thru respiratory tract and digestive tract	Dermatitis, pallor, gastro-intestinal disturbances, garlicky odor of breath and perspiration, irritation of nose and throat, coating of tongue, metallic taste in mouth and nervousness.
Silver & Its Compounds	Metal; crystals	None	None adopted	Mirror silvering; coin mfg.; silverware; indelible ink mfg.; photography	Absorption thru and direct action on skin	Dermatitis, caustic action. Argyrosis, a grayish-blue or black discloration of the skin and mucous membranes, is the chief effect reported in industry.
Sodium Hydroxide	Deliquescent pieces, lumps and sticks	Dangerous	None adopted	Petroleum refining; tanning; soap industry; textile industry; organic synthesis; medicine; rubber industry	Direct action on the skin. As dust attacking the visible mucous membranes; digestive tract	Severe chemical burning of the skin and mucous membranes. Formation of deep seated and persistent ulcers, loss of nails. Deadly if swallowed.
Sulphur Chloride	Liquid	None	None adopted	Rubber mfg.; insecticide; dyeing textiles; medicine; war gas; vulcanizing	As a vapor thru mucous membranes of eye and respiratory tract	Irritation of mucous membranes of eyes and respiratory tract.
Sulphur Dioxide	Gas	None	10 p.p.m. (1)	Artificial ice industry; bleaching; preservative for beer, wine, and meats; cellulose and paper industry; mining and smelting	As a gas thru the respiratory organs	Bronchitis, coughing, bluish discoloration of mucous membranes, spasmodic laryngitis, angina, bronchpneumonia, dyspnea, bloody sputum, digestive disorders.
Sulphuretted Hydrogen (Hydrogen Sulphide)	Gas	Explosive	20 p.p.m.	Reagent; analytical chemistry; in sewers; tanning; coal gas mfg.; soda mfg.; frequently mixed with other harmful gases; mining and smelting; paper makers	As a gas thru the respiratory system	Acute poisoning: Disorganization of blood, burning pains in the eyes, nose, and throat, cough, conjunctivitis, gastritis, dyspnea, dumbness, slow pulse, headache perspiration, contracted pupils, convulsions, paralysis. Chronic poisoning: Conjunctivitis, exhaustion, dyspnea, pallor, slow pulse.
Sulphuric Acid	Dense oily liquid	Dangerous	2.0 p.p..m	Fertilizers; petroleum refining; explosives; organic synthesis; inorganic preparations; leather and textile industries; metallurgy; chemicals	As a vapor thru the respiratory system; locally as a cutaneous irritant	Acute and chronic bronchitis, bronco-pneumonia, decay of teeth. On the skin local pain, redness, edema, ulceration.
Tar & Pitch	Solid; viscous liquid	Slight	None adopted	Preserving wood; roofing; road repair; insulating paint mfg.; creosote mfg.	Vapors thru respiratory tract; direct action on skin	Melanosis, tar itch, acne, eczema, or psoriasis, ulcers of the skin and cornea, warts, epitheliomatous cancer, loss of appetite, nausea, diarrhea, headache, vertigo, irritation of the respiratory tract, conjunctivitis, albuminuria, edema, ischuria.
Tellurium Compounds	Semi-metallic and crystals	None	None adopted	Coloring of glass; rubber mfg.; refining of lead, zinc and copper	Absorption thru skin; dust and fumes thru the respiratory tract; direct contact with skin	Garlic-like odor of breath and of secretions and excretions, suppression of sweat, dryness of the mouth Dry itching skin, metallic taste, anorexia, nausea, vomiting, indegistion, constipuation, and somnolence
Tetrachlorethane Acetylene Tetrachloride)	Liquid	None	10 p.p.m.	Varnish mfg.; solvent for greases, waxes and cellulose acetate; artificial silk mfg.; airplane dope; dry cleaning; rubber mfg.	As a vapor thru the respiratory tract	Severe headache, nausea, insomnia, abnormal fatigue, enlargement and tenderness of the liver, delirium, vomiting of blood abdominal pains, gastro-intestinal disorders, general discontent and nervousness, coma, and death.
Tetrachlorethylene (Perchlorethylene)	Liquid	None	200 p.p.m.	Solvent; degreaser; dry cleaner; printing; soap mfg.	As a vapor thru upper respiratory passages and mucous membranes	Irritation of eyes, tightness in frontal sinuses, increased perspiration of hands and increased secretion of mucous from nasal passages, nausea, elation, faintness, dizziness, dyspnea, retarded mental activity, headache, and visual disturbances.
Tetraethyl Lead (Also see lead & its compounds)	Liquid	Dangerous	None adopted	Added to motor fuel gasoline in order to eliminate the knock in the internal combustion engine	Highly absorbed thru the skin. As a vapor thru the respiratory system	Insomnia, slight fall in blood pressure, and in body temperature, stippled red blood cells, tremors, sudden violent twitching, excretion of lead in the urine, vertigo an dheadache, nausea and vomiting, tremors, loss of weight, anorexia, lead encephalopathy.

*See Note Page 51. (1) Parts per million.

Toxic Substance	Ordinary State	Fire Hazard	Probable Safe Concentration*	Principal Uses & Processes Producing Potential Hazard	Mode of Entrance into Body	Diagnostic Signs and Symptoms
Tetryl (Trinitrophenylmethylnitramine)	Powder; crystals	Explosive	None adopted	Mfg. of explosives	As a dust thru respiratory tract and direct action on skin	Abdominal pain, asmatic attacks, hemorrhage from mucosa, headaches and giddiness; dermatitis.
Thallium & Compounds	Metal; crystals; powder	None	None adopted	Glass mfg.; color mfg.; thallium salts; luminous paint mfg.; insecticides; dye mfg.	As vapor or dust thru the respiratory organs and digestive tract	Loss of appetite, fatigue, albuminuria, joint pain, loss of hair, optic neuritis and blindness.
Thorium						(See Radiant Energy, Sec. IV.)
Tin	Metal	None	None adopted	Tin plate; silk weighing; dye mordant	As fumes thru respiratory organs	Not generally regarded as industrial poison. Reported to cause feeling of chilliness in the chest, pain in the throat, heaviness in the stomach, anemia and traces of tin in urine and feces.
Titanium Oxide	Crystalline	None	None adopted	Paint mfg.; dyeing; paper mfg.; steel alloys		Used as a substitute for white lead in the manufacture of paint. No ill effects have been reported as a result of its use in industry.
Toluol	Liquid	Explosive	200 p.p.m. (1)			(See Benzol.)
Trichlorethylene	Liquid	None	200 p.p.m.	Degreasing; dye mfg.; solvent; insecticide; chemical mfg.; paint mfg.; varnish mfg.; rubber workers	As a vapor thru the respiratory system	Effects not fully established. Symptom of acute poisoning include excitement, drunkenness, dullness, nausea, vomiting, unconsciousness; sequelae include headache, vertigo, anorexia, disturbed heart action. Severe irritation of the respiratory passages has also been reported, but this effect is ascribed by some authorities to the action of its decomposition products, phosgene, and hydrochloric acid. Chronic exposure is said to result in injury to the trigeminal and optic nerves. Impurities in trichlorethylene, it has been suggested, may be the cause of these injuries. Other effects are addiction and skin irritation.
Trinitrophenol	Liquid	Explosive	None adopted	Explosives; match mfg.; leather mfg.; glass mfg.		(See Picric Acid.)
Trinitrotoluol (TNT) (Also see Nitrobenzol)	Monoclinic needles	Explosive	None adopted	Explosives	As dust or fumes thru the respiratory mucous membranes, and thru the pores of the skin. Thru gastro-intestinal tract.	Bitter taste in the mouth, headache, nausea with white frothy vomiting, griping abdominal pain, increase in blood pressure, severe nose bleed, dermatitis, gastritis, urine dark colored and contains blood.
Triorthocresyl Phosphate	Liquid	None	None adopted	Lacquer mfg.; plastic mfg.	Thru digestive tract	No clear-cut cases have been reported from industry. It is not highly volatile, but if absorbed it may cause paralysis of extremities. (This was the cause of the epidemic of so-called "Jake Leg," several years ago.)
Turpentine	Liquid	Explosive	200--700 p.p.m.	Solvent; paints; varnishes; lacquers; medicine; wax mfg.; printing; photographers; dye mfg.; ink mfg.; dry cleaning	As a vapor thru the respiratory passages. As fluid it acts on the epidermis	Irritation of mucous membranes of eye, nose and upper air passages, bronchial inflammation, salivation, headache, vomiting, abdominal pain and vertigo, state of excitement resembling drunkeness, irritation of kidneys and bladder, strangury, odor of violets in urine, severe irritation of skin.
Uranium	Metal; crystals	None	None adopted	Dye mfg.; tile mfg.; paint mfg.; uranium mining; photography	Direct action of radiant rays on skin. Thru respiratory organs	Uranium, reported to be one of the most toxic of metals, is a source of radiant energy. A high frequency of cancer of the lungs in Czechoslovakian miners of uranium is believed to be due to the radioactivity of the ore. Very little has been published on the effects on man of exposure to uranium salts. The conditions reported include purpura of the legs, raduction of leukocytes, as well as diminution of red corpuscles, a reduction in urinary elimination of nitrated salts, and an increase in the chlorides. Experiments on animals with uranium nitrate are reported to show nephritis, glycosuria, albuminuria, gastro-intestinal disorders, degeneration of liver, affections of nervous system.
Vanadium	Metal	None	None adopted	Steel alloying; dye mfg.; glass and porcelain mfg.; ceramics; ink mfg.; vanadium steel workers	Fumes and dust thru respiratory tract. Digestive tract and mucous membranes	Anemia, cachexia, irritation of respiratory tract, dry cough resulting in hemorrhages, diarrhea or constipation, emaciation involvement of kidneys, hysterical manifestations, melancholia.

*See Note Page 51. (1) Parts per million. (2) Milligrams per cubic meter.

Toxic Substance	Ordinary State	Fire Hazard	Probable Safe Concentration*	Principal Uses & Processes Producing Potential Hazard	Mode of Entrance into Body	Diagnostic Signs and Symptoms
Vinyl Chloride	Gas	Slight	500 p.p.m. (1)	Organic synthesis, principally resins.	As a gas thru upper respiratory tract	The U. S. Bureau of Mines reported that men exposed to 2.5% for approximately 3 minutes soon began to feel dizzy and disoriented as to space and size of surrounding objects and complained of a burning sensation in the soles of the feet. They immediately recovered on leaving the camber, and complained only of a slight headache which lasted about 90 minutes.
Xylol	Liquid	Explosive	200 p.p.m.			(See Benzol.)
Zinc	Metal	Dangerous (dust)	15 mg. cu. m. (2)	Metallurgy: organic synthesis; galvanizing; boiler plates; zinc smelting; brass foundries	As dust and as a vapor thru the respiratory system	Metal-fume fever characterized by: Irritation of respiratory tract, dryness of throat, dry cough, malaise, headache, nausea, severe chills with fever, pains in limbs, shaking in limbs, sweating, leukocytosis. Metal-fume fever may also be caused by fumes of lead, mercury, manganese, cadmium, arsenic, antimony, and many other metals. Metal-fume fever resulting from metals which may cause systemic poisoning should be regarded as a warning that continued exposure may have more serious effect.

*See Note Page 51. (1) Parts per million. (2) Milligrams per cubic meter.

SECTION IV.

MISCELLANEOUS HAZARDS OF OCCUPATION WITH CHIEF DIAGNOSTIC SIGNS AND SYMPTOMS OR OTHER DISABILITY

SECTION IV

MISCELLANEOUS HAZARDS OF OCCUPATION WITH CHIEF DIAGNOSTIC SIGNS AND SYMPTOMS OF INJURY OR OTHER DISABILITY

Hazards	Diagnostic Signs and Symptoms
A. Abnormalities of Air Pressure a. Compressed air (increased atmospheric pressure)	Pruritis and rash; excruciating pain in abdomen and extremities, joints and muscles; painful pressure in chest; aphasia and asphyxia; monoplegia and paraplegia; dyspnea, vertigo; Meniere's syndrome.
b. Altitude; rarefied air (decreased atmospheric pressure)	**Acute altitude sickness (anoxia)**—Sleepiness, headache, altered respiration, fatigue, psychological impairments, unconsciousness, and respiratory failure. Warning symptoms preceding unconsciousness are not always present. There may be even a feeling of freedom from care because of the dulling effect on the sensory nervous system. The effects of anoxia after a flight may be more severe than the subjective symptoms noticed while flying. There may be persistent fatigue, severe headache, nausea, vomiting, dizziness, abnormal behavior, mental confusion, and muscular weakness. **Chronic altitude sickness**—Repeated exposure to anoxia (even without symptoms of acute altitude sickness) results in bodily and mental fatigue, irritability, insomnia, marked deterioration in efficiency, and disregard for danger in the air. **Aeroembolism**—The symptoms depend on the location and volume of the air bubbles, and may manifest themselves as joint pains, itching, formication, pulmonary pain and edema, neuritis, paralysis, convulsions, and coma. **Middle-ear disturbances.**
B. Abnormalities of Temperature and Humidity a. Heat	**Heat Stroke**—Dizziness, nausea, acute pain in the head, skin dry and hot, face red or purple, breathing difficult, high temperature, unconsciousness. **Heat exhaustion**—Pallor, cold moist skin, rapid shallow breathing, weak pulse, body temperature subnormal or slightly elevated. **Heat cramps**—Spasms of muscles of the extremities or of the abdominal wall.
b. Sudden variations of temperature	Respiratory infections, neuralgic and rheumatic affections.

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Hazards	Diagnostic Signs and Symptoms
C. Dampness	Respiratory, neuralgic, and rheumatic affections.
D. Infections a. Anthrax	(External) Begins as small red spot or papule in the skin with no pain but an itching, burning sensation. This later has a blister indented in the center and surrounded by severe swelling. Next, the center becomes black and the blister may break and discharge a bloody fluid. The black depressed area has an elevated border of small vesicles. Regional lymph nodes become enlarged and tender and often suppurate. High fever, headache, restlessness, insomia, have also been noted. (Internal) Pulmonary anthrax, of which there has been almost none in America, has no external lesions and is always rapidly fatal. Intestinal anthrax is not an industrial hazard.
b. Glanders (Equinia or Farcy)	Primarily a disease of the horse, ass, or mule, glanders may be conveyed to man by the nasal and other secretions of affected animals. It is caused by Bacillus malei, which enters the human system through a break in the skin or mucous membrane and produces symptoms after an incubation period of a few days to a week. The constitutional effects are fever, malaise, headache, and pain in the joints and muscles. When the bacillus enters by way of the skin, a red painful swelling occurs at the site of entry and breaks down to form a rapidly spreading ulcer. The adjacent glands become swollen and tender and frequently develop abscesses. As the disease progresses, similar lesions appear on other parts of the skin. Large areas of infiltration discharging purulent material from numerous openings frequently occur. Characteristic nodules of farcy buds form along the lymphatics at a distance from the site of inocculation and tend to break down into discharging ulcers. In acute cases there is a characteristic bloody and offensive nasal discharge. High fever, rigors, vomiting, diarrhea, and feeble, rapid pulse lead to delirium, coma and death.
c. Fungus infections	Fungus infections may be due to a wide variety of fungi. They may be local or systemic. Many of them are of mild clinical importance, others may produce marked disability and death. Skin diseases are caused by monilia, yeasts, dermatophytes, sporotrichum, blastomycetes, as well as a great many other fungi. Fungus disease of the lungs may be due to blastomycetes, actinomyces, monilia, coccidioides immitis, cryptococcus, and aspergillus. The symtoms are largely those of tuberculosis, from which it is often most difficult to differentiate. The X-ray film may also closely resemble tuberculosis. The sputum usually reveals large numbers of fungi of predominantly one type.

Hazards	Diagnostic Signs and Symptoms
d. Septic infections	Boils, carbuncles, folliculitis, cellulitis, localized lymphangitis, erysipelas.
e. Undulant fever (Brucellosis)	
f. Other infectious diseases, frequently of occupational origin, and especially worthy of mention, are as follows: Psittacosis, Rabies, Ringworm, Rocky Mountain Spotted Fever, Tentanus, Weil's Disease.	Weakness, profuse sweating, chills, fever, headache, usually bilateral and frontal, constipation, loss of weight, hacking nonproductive cough, general aching. Reddish, widely separated skin lesions accompanied by intense itching and burning among veterinarians have been attributed to Brucella infections.
E. Radiant Energy a. X-rays, radium and other radioactive substances (radiothorium, mesothorium, etc.)	Severe dermatitis usually on hands and arms, loss of nails, burns, destruction of skin, injury to joints, necrosis of bone, cancer, anemia, leukemia, leukopenia, sterility.
b. Ultra violet and infra red rays	Burns, conjunctivitis, electrical ophthalmia, photophobia, retinitis, cataract, dermatitis.
F. Repeated Motion, Pressure, Shock, Etc.	Pain of muscle used, set up by a myositis, bursitis, synovitis, or other local changes of a chronic inflammatory nature; trembling, cramp. Among pneumatic-tool workers also vasomotor disturbances: local anemia of hand followed by hyperemia, cyanosis, and burning sensation.
G. Defective Illumination	Nystagmus, eyestrain, deficient vision due to astigmatism or hyperopia, headache, giddiness. Eyestrain contributes to neurasthenia.

H. Dust

Hazard	Probable Concentration in Million Particles Per Cu. Ft. of Air	Diagnostic Signs and Symptoms
a) Inorganic Dust Containing Free ilica (Silica) i.e., quartz, flint, opal, granite, pottery, etc.	Total count x % silica = 5 *(Kansas, Minnesota, Oklahoma, Wisconsin) < 10% silica = 50 > 10% silica = 10 (Idaho) 25-35% silica = 10 Over 75% silica = 5 *(California, Colorado) Over 90% silica = 5 *(Connecticut) Total dust = 50* (Oklahoma)	Cough, dyspnea, pleuritic pains, deficient chest expansion, dullness, diminished resonance, colds, pleurisy, tuberculosis, hemoptysis.

*Recommended by Industrial Hygiene Units of the States indicated.

H. DUST (Continued)

Hazard	Probable Concentration in Million Particles Per Cu. Ft. of Air	Diagnostic Signs and Symptoms
(b) Inorganic Dust (except asbestos) Containing No Free Silica i.e.: Alundum Carborundum Cement Feldspar Mica Pyrophyllite talc Silicates Slate Talc	 15 *(Oklahoma) 15 *(Oklahoma) 15 *(California, Colorado) 10 *(North Carolina) 50 *(Michigan) 10 *(North Carolina) 25 - Milling, 10 - Mining *(North Carolina) 15 *(Oklahoma) 50 *(Michigan) 15 *(California, Colorado) 50 *(Michigan) 15 *(California, Colorado)	Exposure to inorganic dusts containing no free silica has been found in some instances to be associated with simple linear fibrosis (non-specific benign fibrosis-Gardner) not associated with disability. The exact relationship of various dusts to this type of fibrotic reaction is not entirely clear.
(c) Asbestos	15 *(South Carolina) 5 *(California, Colorado, Michigan, North Carolina, Oklahoma, Pennsylvania)	Cough, dyspnea, pallor, clubbing of fingers, diminished chest expansion.
(d) Organic Dust (i.e., coal textile dust, flour, sugar, wood, leather, feathers, plants, wool, etc.)	50 *(Michigan, California, Colorado)	Irritation of the skin and upper air passages; allergic effects; asthma.

*Recommended by Industrial Hygiene Units of the States indicated.

SECTION V.

OCCUPATIONAL DERMATOSES

OCCUPATIONAL DERMATOSES

CAUSES OF OCCUPATIONAL DERMATITIS

The agents that have been found to produce dermatoses in occupation may be divided into four main groups as follows:

I. **Mechanical**
- Friction
- Pressure
- Trauma

II. **Physical**
- Heat
- Cold
- Water
- Electricity
- Sunlight
- Roentgen-ray and Radium

III. **Chemical**
- Acids
- Alkalis
- Plant Poisons

IV. **Biological**
- Bacteria
- Fungi
- Animal parasites

In different occupations one or more of these causes are found to predominate, but any or all may be present. The farm laborer, for example, is more exposed to heat, cold, and the actinic rays of the sun than the miner, but he is also subject to traumatic injuries, fungous infections, animal parasites, chemical irritants in fertilizers and insecticides, and to plant poisons.

Mechanical Agents — Mechanical agents give rise to callosities, hygromata, tenosynovitis, cuts and abrasions. Wounds of the skin readily become infected with bacteria and fungi and can also become the site of malignant growths or new areas of psoriasis, lichen planus, and similiar skin diseases already present on other parts of the body.

Physical Agents—Physical agents act on the skin in various ways. High temperatures cause perspiration, softening of the horny layers of the skin, and combined with friction, produce intertrigo and the so-called "heat rashes" common among workers exposed to hot ovens, such as stokers and steel makers. Exposure to heat may also produce dermatitis with slight scaling and venectasia, or erythema ab igne.

Hot Water—Hot water softens the epithelium and renders the skin vulnerable to the action of substances such as mild alkalis that would not otherwise affect it. Dishwashing and laundry work are examples of occupations in which maceration of the skin in hot water helps to cause dermatitis.

Cold—Cold, especially when accompanied by dampness, produces pernio, frostbite, and in some hypersensitive individuals urticarial lesions have been known to develop from this cause.

Electricity—Electricity causes occupational burns from short circuits, live wires, and bare wires among linesmen and others engaged in electric power production.

Radium and Roentgen-ray—Radium and roentgen-ray dermatitis, burns, and cancers are occupational diseases to which radiologists and technicians are subject. Prolonged exposure to solar radiation such as occurs among farmers, sailors, and others engaged in outdoor occupations, produces melanosis and proliferative changes in the skin ,which in some instances become epitheliomatous in character. Solar radiation, especially at the seashore and in high altitudes, causes inflammation of the skin, resulting in sunburn that may become sufficiently severe to incapacitate photosensitive persons. Blonds are more susceptible to severe sunburn than brunettes, but even brunettes can become photosensitized if they come in contact with photosensitizing substances suchas coal tar, eosin, pitch, asphalt, certain petroleum oils, and photosensitizing plants such as certain grasses, figs, and those containing oil of bergamot.

Chemical Agents — Chemical agents are the predominating causes of dermatoses in manufacturing industries. These can be divided into two groups: (1) Substances that will cause burns or dermatitis on normal skin, and which we call Primary Irritants, and (2) those which will provoke dermatitis only in hypersensitive persons, and which we will call Specific Irritants.

The Primary Irritants can again be divided into Inorganic and Organic groups, as follows:

Principal Primary Irritant

Inorganic:

1. **Acids (including some of their salts)**
   - Sulphuric
   - Nitric
   - Hydrochloric
   - Hydrofluoric
   - Chromic
   - Arsenious
   - Phosphoric
2. **Alkalies**
   - Alkaline sulphides
   - Sodium hydrate and carbonate
   - Potassium hydrate and carbonate
   - Ammonium hydrate and carbonate
   - Barium hydrate and carbonate
   - Calcium oxide hydrate and carbonate
   - Sodium silicate and metasilicate
   - Tri-sodium phosphate
   - Calcium cyanamide
3. **Irritant Elements and Salts**
   - Sulphur and sulphides
   - Mercuric iodide, bichloride, nitrate
   - Chromates and bichromates
   - Nickel chloride and sulphate
   - Zinc chloride
   - Arsenics and arsenates
   - Antimony chloride and sulphide
   - Sodium
   - Potassium
   - Phosphorus

Organic:

1. **Acids, anhydries (and some salts)**
   - Oxalic
   - Carbolic
   - Cresylic
   - Formic
   - Acetic
   - Lactic
   - Malleic
   - Phthalic
   - Hydrocyanic
   - Abietic

PAGINATION INCORRECT

2. **Solvents**
   - Turpentine
   - Petroleum distillates
   - Carbon bisulphide
   - Benzol
   - Toluol
   - Alcohols
   - Carbon tetrachloride
   - Trichlorethylene
   - Amyl acetate
   - Liquid chlorinated phenols
   - Liquid chlorinated benzols
3. **Essential Oils**
4. **Some Dye Intermediates**
   - Di-nitro-chlor-benzol
   - Phenyl hydrazine
   - Sulphonic acids
5. **Acne Producers**
   - Petroleum oils
   - Pitch
   - Tar
   - Paraffin
   - Solid chloronaphthalenes
   - Solid chlorobenzols
   - Solid chlorodiphenyls
   - Solid chlorophenols

Principal Specific Irritants

These affect only hypersensitive persons. The hypersensitivity may be congenital or acquired by contact with the chemical. Certain chemicals are powerful sensitizers: of these, dinitrochlorbenzol and paraphenylendiamine are notable examples.

Hypersensitive persons readily become sensitized to the primary skin irritants. Such persons will develop a dermatitis from dilutions of these substances too weak to affect normal individuals, or will be burnt by them on shorter exposure than would affect normal skins.

1. **Dye Intermediates**
   - Aniline and compounds
   - Chlor compounds
   - Nitro compounds
   - Acridine and compounds
   - Anthracene and compounds
   - Naphthalene and compounds
   - Benzidine and compounds
   - Benzanthrone and compounds
   - Naphthylamines

*Primary irritants.

2. **Dyes**
   - Fur and Hair: Paraphenylendiamine; Anline Black; Paramido phenol
   - Leather: Chrysoidine; Bismarck Brown; Nigrosine; Amido-azo-toluene; Amido-azo-benzene
   - Fabric: Crystal and Methyl Violet; Malachite Green; Metanil Yellow; Brilliant Indigo, 4 G; Erio Black; Hydron Blue; Indanthrene Violet, R. R.; Ionamine, A. S.; Pyrogene Violent Brown; Orange Y; Safranine; Sulphanthrene Pink; Rosaniline
3. **Photo Developers**
   - Metol
   - Paraphenylendiamine
   - Hydroquinone
   - Para-amido-phenol
   - Pyrogallol
   - Bichromates
4. **Rubber Accelerators and Antioxidants**
   - Hexamethylene tetramine
   - Guanidines
   - Mercapto benzo thiazole
   - Tetramethyl thiuram monosulphide and disulphide
   - Para toluidine
   - Ortho toluidine
   - Tri-ethyl tri-methyl triamine
   - Phenyl bet naphthylamine
5. **Soaps**
   - Containing excess of free alkali
   - Containing perfumes
   - Containing antiseptics
6. **Insecticides**
   - *Creosote
   - Nicotine
   - *Tar
   - Pyrethrum
   - *Mercury compounds
   - *Phenol compounds
   - *Petroleum distillates
   - Arsenic compounds
   - *Fluorides
   - *Lime
7. **Cosmetics**
   - Those containing irritant or photosensitizing dyes, essential oils, and perfumes
8. **Oils**
   - Cutting oils
   - Coning oils
   - Sulphonated oils
   - Linseed oil
   - Mustard oil
   - Coconut oil
   - Castor oil
   - Cashew nut oil
   - Tung oil
9. **Resins**
   - Natural: Pine rosin; Wood rosin; Burgundy pitch; Japanese lacquer; Dammar; Copal
   - Synthetic: Phenol formaldehyde; Urea formaldehyde; Chlorinated waxes; Chloro-naphthalenes; Chloro-benzols; Chloro-diphenyls; Cumaron
10. **Coal Tar and Its Derivatives**
    - Acridine
    - Anthracene
    - Phenanethrene
    - Carbazole
    - Pyridine
    - Fluorene
11. **Explosives**
    - Trinitrotoluol
    - Tetranitro-methylaniline
    - Tetranitro-methylaniline
    - Fulminate of mercury
    - Nitroglycerine
    - Dinitrophenol
    - Dinotrotoluol

Ammonium nitrate
Lead styphnate
Picric acid and picrates
Potassium nitrate
Sensol
Sodium nitrate

Plants—Many plants, especially those belonging to the Rhus family, irritate so large a percentage of people that they may be classed practically as primary irritants. Indeed, Bloch showed that while only the hypersensitive were irritated by primula abconica it was possible to produce dermatitis in all people if the toxin of the plant was applied in sufficient concentration. The toxic properties of plants vary with the season and the stage of their growth. Rhus toxicodendron (poison ivy) is more irritating in the late spring and summer when the leaves are green than in the autumn when they begin to change color.

Some plants are poisonous only when grown in certain localities. For instance, castor beans grown in some places are toxic, while those indigenous to others are harmless. The same is said to be true of the chinawood tree and the cocobolo.

Some plants are photosensitizers. Certain grasses, dandelion, wild parsnip. and trefoil are examples. The juice of figs is also said to be photosensitizing.

The following woods, especially when being sandpapered and polished, have been found to be poisonous to a considerable percentage of workers:

West Indian Mahogany	Spurge
West Indian Boxwood	Machineel (Cuba)
West African Ebony	Rungus wood
West African Boxwood	Cocobolo
West African Mahogany	Silver Fir
Brazilian Walnut	Silver Spruce
	Cedar
	Teak
	California Redwood
	Satinwood
	Cocus wood

The following plants also are known to have produced dermatitis among certain workers:

Daffodile (Amaryllidacea)

Rhus family { Poison Ivy, Poison Sumac, Poison Oak, Japanese lacquer

(The irritant in these plants is an oil called toxicodendrol)

Mango
Cashew nut (Irritant in an oil called Cardol)

Dog bane, Oleander } (Apocnaceae)

Cow parsnip (Aracear)

Satinwood, Alder } (Betulaceae)

Prickly Pear (Cactaceae)

Hops, Hemp } (Cannabinaceae

Orange, Grapefruit, Lemon, Lime } Chief irritant is a terpene called Limonene

May weed, Ox-eyed daisy, Pyrethrum flower, Chrysanthemum, Camomile, Sunflower, Ragweed, Marigold } (Compositae)

(Shave grass (Equisitaceae)
Hyacinth
Orris root (Irideae)
Laurel (Lauraceae)
Cinnamon (Leguminosae)
Tulip (Liliaceae)
Asparagus
Cloves (Myrtaceae)
Vanilla (Orchidaceae)

Primrose { Primula obconica, Primula senensis, Primula fairinosa (Primulaceae)

Marsh marigold (Ranunculaceae)
Rue (Rutaceae)

Tomato, Tobacco } (Solanaceae)

Celery, Cow Parsnip, Angelica } (Umbelliferae)

Fig, Nettle } (Urticaceae)

Biological Agents—Biologic agents often cause or complicate occupational dermatoses. They may be divided as follows:

1. **Bacterial Infections**
   - Infected occupational wounds
   - Folliculitis, caused by staphylococci and streptococci
   - Boils, caused by staphylococci and streptococci
   - Anthrax of hide handlers
   - Glanders of cattle handlers
   - Vaccinia of cattle handlers
   - Impetigo of cattle handlers
   - Erysipeloid of animal product handlers
   - Verruca Necrogenica of cadaver handlers
   - Butcher's Pemphigus
2. **Fungi**
   - Monilia (Kitchen workers)
   - Yeasts (Bakers and fruit handlers)
   - Dermatophytes { Animal caretakers, Fur handlers, Wool sorters, Hide handlers, Barbers, Bath attendants
   - Sporotrichosis, Blastomycosis — Horticulturists
3. **Parasites**
   - Ground Itch (Uncinariasis) { Miners, Farmers, Laborers
   - Mange (Acarus Sarcoptes and Demodex) Dog handlers
   - Grain Itch (Pediculoides) { Wheat handlers, Straw handlers, Linseed handlers, Corn handlers, Handlers of other grains

Carpoglyphus passularum (Dried fruit handlers)

(Caterpillar dermatitis, caused by urticating hairs (Horticulturists)

These various causative factors may be classified by their action on the skin as follows:

1. **Keratin Solvents,** such as alkalies and soaps.
2. **Fat Solvents,** such as turpentine, petroleum distillates, and volatile hydrocarbon solvents.
3. **Desiccators of Hyroscopic Agents,** which take the water out of the skin, such as sulphuric acid, powerful alkalis, and calcium oxide.
4. **Protein Precipitants,** such as heavy metal salts, which form albuminates in combining with the skin.
5. **Oxidizers,** which by their strong affinity for the hydrogen in water will liberate oxygen. Examples are chlorine gas, peroxide of hydrogen, chromic acid and its salts.
6. **Hydrolizers.** Some substances tend to hydrolize when coming in contact with moisture of the skin, and thus form irritating compounds. An example of this class is hexamethylenetetramine, which on hydrolizing first forms formaldehyde and later goes on to formic acid.
7. **Keratogenic Agents.** Certain substances act as stimulants to the keratin-forming cells of the skin and are apt to cause new growths. Arsenic, petroleum and its products, and aniline compounds are examples of this class.
8. **Sensitizers.** There is still another group, to which the skin becomes sensitive after exposure for varying lengths of time.. These substances may be called anaphylactoid in their action. The nitro and nitroso compounds and certain plants and fungi belong to this class.
9. **Photosenitizers.** Certain chemicals and plants have a photo-sensitizing effect on the skin. Workers exposed to coal tar, petroleum, and many of their derivatives are exceedingly susceptible to dermatitis solaris and develop marked melanosis. Photosensitivity has been reported from contact with figs and certain meadow grasses, and also from some dyes, such as Brom fluorescin and Rhodamine B.

PHYSICAL AND MECHANICAL CAUSES OF INDUSTRIAL DERMATOSES CLASSIFIED BY OCCUPATION, LESION AND LOCATION

Occupation	Lesion	Location	Cause
Asbestos workers (carders, weavers, mattress makers)	Corns, warts	Palms, fingers	Penetration of fibers
Bakers	Callosities	Palmar and cubital surface of little finger	Pressure on kneading board
Band Jobbers	Excoriations, thickening	Ulnar side of the hands	Friction of twine dragged through rollers
Basket makers	Thickening	Ulnar side of the palms	Hammering canes with clenched fist
	Callosity and broadening	Thumbs	Bending and intertwining hard cane
	Cicatrices, rhagades	Palmar surface of fingers and the hands	Innumerable cuts from handling materials
Blacksmiths	Hygromata	Palms, fingers	Heat and pressure
Burnishers of metal	Multiple callosities	Hands	Pressure of tools
Butchers (dry smokers)	Hyperkerotosis	Palms	Hot water and resin used in depilation of hides
Cane cutters	Tenosynovitis crepitans	Wrists	Continuous movements
Carpenters, joiners	Thickening, hygromata	Thumbs, index fingers	Pressure of plane
Cotton mill workers:			
Winders	Thickening	Right index finger	Guiding yarn into clearer slot
Doffers	Thickening	Web between the thumb and the forefinger	Friction from replacing bobbins
Cutters of clothing	Callosities	Thumb, fingers	Pressure of shears
Cutters of fustian	Papilloma	Inner side of the thumb joint	Pressure of shears
Diamond cutters (rounders)	Deformity	Thumb, forefinger	Pressure
Engravers	Callosities	Palmar surface of little finger	Pressure of engraving tools

CLASSIFIED BY OCCUPATION, LESION AND LOCATION

Occupation	Lesion	Location	Cause
File cutters	Hypertrophy	Right little finger	Pressure
Fishermen	Dermatitis	Hands	Handling of cables and ropes wet with salt water, especially if skin is abraded
	Frostbite	Hands	Exposure to cold
Flax spinners	Callosities	Hypothenar eminence of left hand	Blows from the flyer
Flax hacklers	Callosities	Right index finger	Pulling flax off pins
Glove makers	Callosities, deformities	Hands and fingers	Pressure on knife and scissors
Grinders of lenses	Thickening	Middle finger	Friction from abrasives
Glass blowers	Keratosis rhagades	Palms	Heat from blowpipe, stock grease containing pitch
Harp players	Thickening	Fingertips	Friction from strings
Hatters:			
Plankers	Callosities	Thenar eminence, fingers	Rolling cylinder with hands
Felt-hat sizers	Keratosis, rhagades	Palmar surface from wrist to fingertips	Friction and immersion in hot and cold water
Straw-hat makers	Callosities, deformities	Palms and fingers	Picking and plaiting straw
Hod carriers	Thickening	Shoulders	Weight bearing
Housemaids	Bursae	Knees	Kneeling on hard floors
Lathe workers	Hygromata	Palms	Pressure and friction
Leather cutters	Callosities	Right index finger	Friction from tools
Miners	Callosities	Hands	Friction from tools
Coal miners	Blue-black tatooing	Upper half of the body	Impregnation of skin with coal dust
	Bursae	Knee, hands and elbow	Undue friction
Moulders	Scars from burns	Dorsum of feet	Droppings of molten metal
Musicians	Chronic tenosynovitis	Long extensor of thumb	Due to position of hands in holding drumsticks
Porters:			
Alabaster blocks	Fibrolipoma with superfluous hair	Shoulders	Weight bearing, friction
Boxes, cases, etc.	Callosities	Shoulders	Weight bearing, friction
Timber	Hygromata	Hands	Carrying logs
Potters	Horny thickening, atrophy of skin	Left Hand	Friction of revolving lathe
Printers, compositors	Callosities	Fingertips	Pressure of type
Shoemakers:	Callosities	Folds of fingers, thigh above patella	Pressure of tools
Knockers	Trophic	Fingers	Vibration
Cobblers	Scars from cuts	Right thigh	Cutting leather
Stenographers	Tenosynovitis crepitans	Wrists	Excessive movement
Stone workers	Hygromata, tattooing, pigmentation	Dorsa of hands	Impregnation with particles
Sugar workers	Callosities	Between fingers	Manipulating machine cutting cubes
Violinists	Thickening	Fingertips	Friction from strings
	Fibro-fatty pad	Left jaw	Friction from instrument
Washerwomen	Callosities	Inner surface of forearms	Friction against edge of washtub

CLASSIFIED BY OCCUPATION AND TYPE OF IRRITANT

PRIMARY IRRITANTS

Occupation	Irritants
Acetylene makers	Calcium carbide
Acid workers	Acids
Alkali-salt makers	Caustic alkali
Artificial-flower makers	Caustic alkali, dyes, solvents
Auto washers and cleaners	Solvents, potassium cyanide
Battery (dry) makers	Acids, zinc chloride, ammonium salts, charcoal
Beatermen (paper and pulp)	Caustic alkali, dyes
Bleachers (cloth)	Acids, bleaching powder, caustic alkali, hydrogen peroxide, sodium silicate
Bricklayers	Lime
Cap loaders	Mercury compounds
Carbide makers	Calcium carbide
Carbolic-acid makers	Caustic alkali, phenol
Cardboard stickers	Sodium silicate
Carroters (felt hats)	Acids, mercury compounds
Cartridge dippers	Acids, soap
Cementers (rubbers shoes)	Benzine, coal-tar products, naphtha, methyl alcohol
Cement workers	Lime, pitch, rosin
Chemical workers	See specific chemical in
Chromium platers	Chromium compounds, sulphuric acid
Cloth preparers	Acids, caustic alkali, lime, soap, potassium salts, sodium salts, sodium silicate
Cotton sizers	Acids, zinc chloride, arsenic salts, phenol, aluminum salts, calcium salts, magnesium salts
Curriers (tannery)	Paraffin, benzine
Degreasers	Solvents
Dentists	Procain, mercury, cocaine
Detonator cleaners	Mercury compounds
Detonator fillers	Mercury compounds
Detonator packers	Mercury compounds
Dishwashers	Caustic soaps, grease
Disinfectant makers	Formaldehyde, cresol
Druggists	Bleaching powder, soap, iodoform, sodium salts
Dry cleaners	Dirt, benzine, carbon tetrachloride
Dye makers	Acids bezine, caustic alkali, coal-tar products, turpentine, antimony compounds, barium salts, calcium salts, cresol, dextrines, ferro-cyanides, formaldehyde, gums, lead salts, phenol, potassium chlorate
Electroplaters	Acids, benzine, caustic alkali, lime, potassium cyanide, soap, nickel, sulphate, chromic acid

PRIMARY IRRITANTS

Occupation	Irritants
Embalmers	Formaldehyde, mercury
Enamelers	Alkalis, acids, arsenic, chromium
Engravers	Acids, caustic alkali, ferric chloride, potassium cyanide
Etchers	Acids, caustic alkali
Felt hat makers	Acids, mercuric nitrate
Fertilizer makers	Calcium cyanamide, fluorides
Fish dressers	Brine
Flax spinners	Lime, brine
Furniture polishers	Benzine, caustic alkali, naphtha, turpentine, methyl alcohol, pyridine, rosin
Fur workers	Lime, formaldehyde
Galvanizers	Ammonium chloride
Garage workers	Solvents
Glass mixers	Caustic alkali
Ink makers	Turpentine, chromates
Insecticide makers	Arsenic
Lampblack makers	Soot
Laundry workers	Caustic alkali, soap, bleaching powder
Lime burners	Lime
Lime pullers (tannery)	Lime
Masons	Lime
Match-factory workers	Chrome salts
Mercerizers	Acids, caustic alkali
Mordanters	Acids, caustic alkali, chromates, zinc chloride, aluminum salts, antimony compounds, arsenates, copper salts, iron salts, lead salts, phosphates, silicates, tin salts
Nickelplaters	Zinc chloride, nickel sulphate
Nitroglycerin makers	Acids
Painters	Acids, caustic alkali, paints, zinc chloride, benzine, chrome pigments
Paint makers	Paints
Paraffin workers	Paraffin
Parchment makers	Zinc chlorides
Petroleum refiners	Caustic alkali, paraffin
Photographers	Acids, caustic alkali, chromates, turpentine, amidol, bronzing powder, rodinal
Photographic-plate Cleaners	Caustic alkali
Pitch workers	Pitch, tar
Plasterers	Lime
Plumbers	Caustic soaps, hydrochloric acid, zinc chloride
Polishers	Caustic alkali, naphtha, acid, cyanogen compounds
Polishers (silver and brass)	Potassium cyanide
Printers	Ink, benzine, chromates, alkalis

CHEMICAL CAUSES OF INDUSTRIAL DERMATOSES
CLASSIFIED BY OCCUPATION AND TYPE OF IRRITANT

PRIMARY IRRITANTS

Occupation	Irritants
Rayon workers	Alkalies, carbon disulphide, acids, solvents, bleaches
Rock-salt workers	Brine
Salt preparers	Brine
Shoe finishers	Benzine, coal-tar products, naphtha, methyl alcohol
Silk workers	Alkalis, acids, dyes
Sizers (cotton)	Zinc chloride, alumium salts, calcium salts, magnesium salts, acids, phenol, arsenic salts
Smelters	Arsenic
Soap makers	Caustic alkali, soap, vegetable oils, sodium silicate
Sodium-hydroxide makers	Caustic alkali
Solderers	Acids, zinc chloride
Tannery workers	Acids, lime, sodium sulphide, arsenic salts, brine, calicum hydrosulphide, chromium salts
Tar workers	Tar, pitch
Taxidermists	Arsenic, mercuric chloride, calcined alum, tannin
Temperers	Oil, brine, cyanide
Tinners	Zinc chloride
Typists	Carbon paper, typewriter ribbons
Upholsterers	Lacquer
Washers	Caustic alkali, soap, bleaching powder
Washwomen	Caustic alkali, soap, bleaching powder
Watchmakers	Potassium cyanide, trichlorethylene
Waterproofers (paper)	Paraffin
Wax-ornament makers	Potassium cyanide
Wood preservers	Tar, zinc chloride, bichloride of mercury
Zinc-chloride makers	Acids, zinc chloride

SPECIFIC IRRITANTS

Occupation	Irritants
Barbers	Soap, hair tonics, dyes
Blooders (tannery)	Dyes
Bronzers	Dyes
Broom and brush makers	Dyes, vegetable dust
Calico printers	Dyes
Canners	Dyes, fruit acids
Cooks	Fruit acids, glucose
Dye makers	Dye intermediates, dyes, hydroquinone
Dyers	Dyes
Explosive workers	Dye intermediates, explosives (TNT, etc.)
Felt hat makers	Dyes
Fur workers	Dyes
Garage workers	Oils, greases
Glass blowers	Rosin
Hair dressers	Cosmetics, dyes, tonics, perfumes
Ink makers	Dyes
Linoleum makers	Dyes
Machinists	Cutting compounds, oils
Match factory workers	Dyes, dextrins, gums
Mixers (rubber)	Accelerators (hexamethylenetetramine)
Mottlers (leather)	Dyes
Nitroglycerine makers	Explosives
Paper box makers	Glue, dyes
Pencil (colored) makers	Dyes
Photographers	Metal, pyrogallic acid, hydroquinone
Proxylin-plastic makers	Dyes
Rope makers	Oil, dyes
Shell fillers	Explosives (TNT, etc.)
Tobacco rollers	Vegetable dust, oils, glue
Vulcanizers	Accelerators (hexamethylenetetramine)
Wax-ornament workers	Dye intermediates

SECTION VII.

ORAL MANIFESTATIONS OF OCCUPATIONAL DISEASE

According to the Etiologic Agent and Occupation

	Etiologic Agent	Occupation	Possible Oral Manifestations
CHEMICAL	**ORGANIC**		
	DUSTS	Bone, Celluloid, Flour, Sawmill, Textile and Tobacco Workers	Staining—Abrasions—Gingivitis—Bleeding—Calculus
	ANILINE	Aniline, Coal Tar, Explosive Workers—Painters—Tannery Workers—Vulcanizers	Blue Coloration of Lips and Gingivae
	ACROLEIN	Bone Grinders—Lard Makers—Soap Makers—Linoleum Makers—Varnish Boilers	Stomatitis
	AMYLACETATE	Alcohol Distillery, Explosive, Shellac Workers—Shoe Factory, Smokeless Powder Workers	Stomatitis
	BENZOL	Coke Oven Workers—Dry Cleaners—Lacquer Workers—Vulcanizers—Smokeless Powder Makers	Hemorrhage from Gums—Stomatitis—Blue Coloration of Lips
	CRESOL (PHENOL, ETC.)	Coal Tar Workers—Disinfectant Makers—Surgical Dressing Workers	Stomatitis
	TAR	Asphalt Workers—Coal Tar Workers—Fishermen—Pavers—Pitch—Roofers—Wood Preservers	Stomatitis—Malignancies of Lips And Mucosa
	SUGAR	Refiners—Bakers—Candy Makers	Caries
	FLOUR	Refiners—Bakers	Calculus—Periodontitis
	WINE & LIQUOR	Tasters	Anesthesia & Paresthesia of Tongue
PHYSICAL	INSTRUMENTS FOR PREHENSION (Increased Intra-Oral Pressure)	Cobblers — Carpenters—Glass Blowers — Musicians (Wind Instruments (Particularly Reeds))—Seamstresses—Garment Workers	Abrasion—Pneumatocoele—Malocclusion
	ATMOSPHERIC PRESSURE	Increase: Divers—Caisson Workers Decrease: Aviators	Bleeding from Gums Bleeding from Gums
	RADIUM—X-RAY	Technicians — Watch Dial Painters — Research Men	Gingivitis—Periodontitis—Osteomyelitis & Necrosis—Xerostomia

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There is authority for the statement that at least 25% of employee absenteeism from non-occupational illnesses is directly traceable to oral conditions.

1. In 2,469 employment medical examinations in 1928, Sappington discovered 15,491 defects of all kinds—an average of 6.3 per person.

2. Another large industrial concern found that more than 95% of its employees had defective teeth and diseased gums.

3. In three store clinics in Boston, with a total of 2,605 cases diagnosed and recorded, clean mouths were found in 19.9%; fair mouths in 53%; and neglected mouths in as many as 27.1%.

4. Black, in his investigation of the prevalence of dental infections, found that 78 of every 100 persons averaging 35 years of age had infected teeth.

5. Kramer examined 10,000 men in a steel plant. The most common type of defect among the old employees was dental impairment (42%).

. . . In the main, too little is being done. The average medical examination does not include x-rays of the teeth, which is the only way a real diagnosis or prognosis can be made. And the average follow-up is more desultory than insistent.

. . . In a survey of non-occupational illnesses and injuries in a major oil refinery, aside from the "dental conditions" themselves, the three types of diseases which are directly traceable to oral conditions (arthritis, gastro-intestinal, and genito-urinary) caused 67% of the total days lost. This is not to say that all of the days lost from these particular diseases were actually due to oral sepsis. The point is that from the nature and the effects of oral sepsis, they might have been.

—Abstract from an article in Industrial Medicine, entitled "Dental Services in Industry", 11:157-162 (April, 1942) by Harold A. Hooper, D.D.S., Dental Consultant, Chicago, St. Paul, and Pacific Railroad.

"It follows, therefore, that the close cooperation of physician and dentist in the handling of these cases is much to be desired. This is especially true in those cases in which dental foci of infection produce chronic degenerative diseases, which lower the productivity of the employee, besides shortening his span of life . . ."

—Editorial, Rocky Mountain Medical Journal, January, 1942.

In the first draft, 188,000 selectees were rejected from military service because of dental defects. This great number of rejections emphasizes a deplorable lack of physical fitness and reminds us that manpower can be our greatest waste.

—Compiled from Acknowledged Sources by R. C. Dalgleish, D. D. S.

LABOR'S ECONOMIC REVIEW

PUBLISHED BY AFL-CIO

Vol. 3, No. 8-9 August-September, 1958

In Brief

14,200 workers are killed annually on the job; 85,000 are permanently impaired; 1,823,000 are temporarily-totally disabled producing the goods and services providing the world's highest standard of living.

Workmen's compensation, the oldest of our social insurances, is failing to meet the needs of these injured workers. Rehabilitation is in order.

For less than an additional 2 cents per man-hour of labor, our society could provide a workmen's compensation program which would furnish medical care as long as needed, rehabilitation to the extent necessary to overcome as much of the disability as possible and cash benefits to provide a reasonable standard of living to all workers injured on the job.

20 Years in Retreat

WORKMEN'S COMPENSATION

On January 31, 1908, President Theodore Roosevelt asked the Congress to enact workmen's compensation legislation to protect United States Government employees injured on the job. In the same message, the President urged legislation to protect workers in private employment.

Within the year, Congress enacted the first law granting workmen's compensation benefits to a limited number of government employees.

Within a decade, most of the States had enacted workmen's compensation programs, and by 1948 all the States, Alaska, Hawaii and Puerto Rico had accepted workmen's compensation. As a consequence, American workers today believe when they are injured on the job that medical care will be furnished them as long as they need it, rehabilitation will be provided to the extent necessary to give them every opportunity to overcome as much of their disability as possible, and cash benefits will be paid in amounts adequate to maintain a reasonable standard of living for themselves and their family for the duration of the disability or dependency.

Unfortunately for the dependents of the 14,200 who were killed last year, the 85,000 permanently physically impaired and the 1,823,000 temporarily disabled to the extent that they were off the job at least one full day, workmen's compensation benefits failed to meet their needs.

Goals

Many organizations have reviewed the needs of workers who have sustained job-incurred injuries. A most concise definition of goals to meet the needs of injured workers has been prepared and adopted by the American Medical Association:

"1. Rehabilitation (including medical care) of the occupationally disabled;

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"2. Assured, prompt and adequate indemnity for the occupationally disabled or their survivors; and

"3. Minimal costs to employers and society commensurate with the above provisions." [1]

In principle, the goals of labor and the goals of the American Medical Association and the International Association of Accident Boards and Commissions are the same.

In spite of the commendable efforts of the State Central Bodies of the AFL-CIO to gap the distance between the accepted goals of workmen's compensation and the benefits provided for job-injured workers by State legislation, the gap has not been bridged.

Today millions labor unprotected by workmen's compensation. Only three out of four workers are protected by workmen's compensation against the hazards of injury on the job. State legislatures have applied numerical exemptions; have failed to recognize the hazards of industrial disease; have bowed to the pressure of the agricultural industry; have declared certain industries non-hazardous; and in many States have made coverage voluntary. State administrative rulings and court decisions have often narrowed the area of statutory protection by interpretation. When these various exclusions of coverage are joined together, more than 15 million workers for one reason or another are unprotected by insurance against a job-sustained injury.

Coverage

Elective or Compulsory? Approximately one-half of the States provide compulsory workmen's compensation coverage. The remaining States permit election of coverage in one form or another. If the argument that compulsory coverage of all employers exposed State legislation to attack on the grounds of constitutionality were once true, such argument is no longer valid.

Today, the retention of elective coverage stands as a formidable weapon against labor's efforts to make workmen's compensation an effective program. Employers can and have threatened to escape coverage if benefits were improved. Workmen's compensation ought not to be a "catch what you can" program.

Numerical Exemptions. In the beginning it was thought that if small employers were included under workmen's compensation the administrative burden would be so heavy that prompt adjudication of claims would be impossible. The experience of 24 jurisdictions which make no exemptions based on the number of employees proves that numerical exemptions are unnecessary.

But today many States exempt employers of less than two to less than fifteen workers, the number varying in different jurisdictions. [2]

On the whole, small employers have insufficient assets to protect either the injured worker or the business without compensation insurance. Both should be protected; compulsory workmen's compensation should immediately be enacted in all States which provide numerical exemptions.

Agricultural Workers. The needs of an injured worker should not be determined by his occupation. Although agriculture is one of the more hazardous occupations in our society, agricultural workers (except in Ohio, Hawaii and Puerto Rico) labor unprotected. Eleven States extend limited coverage to agricultural workers. The remaining States and Territories place the risks of injury on the job on the men, women and children who contribute so substantially to our food supply.

Hazardous Employment. Twelve States still retain reference to "hazardous" and "extra-hazardous" employment in their workmen's compensation acts.

Although a number of State courts have recently broadened the scope of "hazardous" occupations, many persons injured on the job are denied compensation because the State limits compensation to hazardous occupations. The Supreme Court of Oklahoma recently held that a filling station unless operated in conjunction with a repair shop was not "hazardous."

[1] "Medical Relations in Workmen's Compensation," A Guide Adopted by the American Medical Association, December, 1955, p. 3.

[2] NOTE: "State Workmen's Compensation Laws," Bulletin 161 (Revised) U. S. Dept. of Labor, August 1957, is the most useful source for comparison of State laws.

Occupational Diseases. Mississippi, Wyoming and Montana make no provision for workmen's compensation for persons injured by an occupational disease. An additional 18 States and Territories limit coverage to a schedule of occupational diseases. Eleven States which extend full coverage of occupational diseases either do not pay benefits for partial disability or limit the benefits payable if the disease is asbestosis or silicosis. Moreover, time limitations for filing and other restrictive wording create legal barriers to compensation for many persons injured by an occupational disease.

Radiation Diseases. The rapidly increasing use of atomic energy for peaceful purposes has exposed many workers to injury different from the experience of other occupational diseases. Scientific experiments today indicate that exposure can kill directly, can bring death indirectly as by cancer, or bring death earlier without relation to known diseases. There is no experience under workmen's compensation to guide us in the protection of persons in the third category. However, for those killed directly or by causally related diseases, workmen's compensation can afford protection for workers and their families.

Today, no State can say: all workers other than casual are afforded protection against the hazards of injury on the job.

Medical Care

Cost of Medical Care. Foremost among the benefits of workmen's compensation should be the medical care furnished to the injured worker.

Although the students of workmen's compensation point out that the inclusion of medical benefits represents the most important progress made in the program over the 50-year period, it should be pointed out that one-fourth of the States still limit by amount or time the medical care furnished workers suffering "accidental" injuries and half of the States still limit the medical care for those injured by occupational disease. To deny further treatment to the individual workman who still needs medical care after being disabled for a period such as six months is nothing but a cruel abdication of responsibility.

Nor is cost the prohibitive factor to unlimited medical benefits. In 1953, the cost experience of States with statutory provisions for unlimited medical benefits which report to the National Council on Compensation Insurance indicated that medical and hospitalization benefits amounted to 23 cents for every $100 of covered payroll[3]—on the average, a little more than ½ cent an hour. At best, therefore, if we accept the national figures measuring the increased cost of medical and

hospitalization care, unlimited medical and hospitalization cost would not exceed at the outside more than three-fourths of a cent per hour or less than 30 cents for every $100 of covered payroll. For an almost negligible increase in cost, all States could furnish unlimited medical benefits to workers injured on the job.

Selection of Physician. The National Association of Manufacturers recently reaffirmed its position that it was in the welfare of injured employees that the company should retain the exclusive right to choose the doctor.

Three-fourths of all workers covered by workmen's compensation must today accept the doctor chosen by the employer or his insurance carrier.

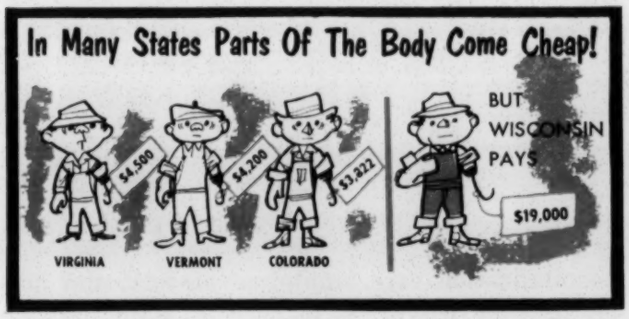
The AFL-CIO opposes this position, because the doctor now has a patient who is in fact not his client. Many times a dispute arises (1) in determining whether or not the injury was causally connected with the occupation, or (2) in evaluating the extent of disability. The volume of conflicting medical testimony indicates that the client-doctor relation too often outweighs the doctor-patient relation.

The American Medical Association has recognized that the company-selected doctor relationship is ethically untenable. The A.M.A. has said: "Disabled employees should have the *right* to accept physicians' services provided by employers, *or to select* another attending physician from a register of all other physicians in the community *willing and qualified* to perform the essential services."[4]

Unlimited medical care is vital to any acceptable workmen's compensation program. The AFL-CIO, as recently as December 1957, stated that an injured worker should have free choice of a qualified doctor. Such a goal can be best implemented by a medical panel. Since the administrative agency has no personal or financial interest in the selection of willing and qualified doc-

[3] "Illustrative Nation-wide Cost Estimate for Workmen's Compensation Programs with Broader Coverage and Higher Benefit Levels," Research & Statistics, Note No. 2, 1955, U. S. Dept. of Health, Education and Welfare, p. 2.

[4] "Medical Relations in Workmen's Compensation," A.M.A., Dec. 1955, p. 4.



tors for medical panels, their appointment should be a responsibility of the administrative agency. To be sure, the appointments should be made in co-operation with the respective medical societies of the separate jurisdictions. As the adopted report of the A.M.A. points out, "The administrative agency must have more than adjudication and appeals functions; it must have an affirmative duty to see that the intent of the law is carried out." To gain co-operation with the medical profession and to achieve the best in medical care, every administrative agency should have a full-time medical director.

Rehabilitation. Workmen's compensation should be dedicated to the proposition that injured workmen should have every opportunity to overcome as much of their disability as possible. But few States have attempted to provide adequate rehabilitation programs.

Only 13 States, Alaska, Hawaii and the District of Columbia have provisions for special maintenance or other compensation of the injured worker during the rehabilitation period. Only Florida, Massachusetts, Minnesota, Missouri, New Jersey, New York, West Virginia and Hawaii have special rehabilitation divisions within their workmen's compensation agency. Only Oregon, Rhode Island, Washington and Puerto Rico have established rehabilitation centers to provide injured workers with modern rehabilitation care. Ohio through its exclusive State Fund provides rehabilitation care through a contractual arrangement with Ohio State University. Medical science has made great progress in the know-how of rehabilitation. The new knowledge and techniques should be put to use for disabled workers. All State compensation acts should provide maintenance benefits and rehabilitation provisions. State agencies should be empowered and given the necessary technical personnel to supervise their rehabilitation programs.

Sub-Standard Indemnity Benefits

The American labor movement believes that an injured worker and his family ought not be condemned to a substantial reduction in living standards during the rehabilitation period. Temporary-total disability is properly measured in wage loss. However, indemnity of permanent-partial and permanent-total impairment should be determined in relation to the injured worker's permanent impairment of earning capacity.

Temporary-total Indemnity Benefits. Most States provide that an injured worker shall receive benefit amounts between 60 and 66⅔ percent of his wage loss while suffering a temporary-total disability. However, the low maximum amounts which are also written into the laws make this impossible.

"In 1939 . . . half the laws provided a maximum of less than $20 a week and $25 was the highest amount payable under the State laws. These dollar maximums were nevertheless high enough so that, in virtually every State, a worker receiving the average weekly wage (as shown by unemployment insurance data) could receive under workmen's compensation the proportion of his wage loss specified in the statute. . . . Since 1939, all but seven States have increased their dollar maximum amounts by at least 75 percent; in 20 jurisdictions the increases have amounted to more than 100 percent. As of August 1957, three-fourths of the laws provided maximum weekly benefits (including allowances for dependents) of $35 or more, with 17 providing $45 or more.

"These higher maximums, however, had still not caught up with rising weekly wages, which had increased from 1939 to 1956 for the average worker covered under unemployment insurance by 210 percent—from $26.17 to $87.17.

"Consequently, *only* seven programs (including the system for Federal employees), with 9 percent of the covered workers, had weekly maximums that were high enough in 1957 to permit the statutory percentage to be effective for workers with average wages though not for many workers with higher-than-average wages." [5]

The left column of the chart on page 55 shows for each State the actual proportion of weekly wages that a worker in receipt of the average 1956 wage would have received in benefits during a period of total-temporary disability under the statutory percentages and maximums effective in August 1957.

In 1951, the U.S. Department of Labor calculated a City Worker's Family Budget to show how much was needed for what it called a "modest

[5] Skolnik, Alfred M., "Trends in Workmen's Compensation: Coverage, Benefits and Costs," Social Security Bulletin, Vol. 21, No. 8, August 1958, p. 11.

but adequate" standard of living. Recently, the AFL-CIO Research Department adjusted the 1951 figures for changes in prices and federal taxes since that date. Today, at least $4,656 a year must be earned by a city worker to support a family (wife and 2 children) on a "modest but adequate" standard of living. This means at least $90 a week.

The average weekly wage in 1956 was $81.17. "For the country as a whole, a single worker with average wages received a weekly rate of compensation, weighted by coverage, estimated at $38.96 or 48 percent of the nationwide average weekly wage." [6] 92.4 percent of single workers with average wages received less than 60 percent of their average weekly wage.

The years from 1939 to 1958 present a grim story of retreat for those who believe that workmen's compensation should provide cash benefits in amounts adequate to maintain a reasonable standard of living for the injured worker and his family.

Permanent-total Disability. Although the loss of adequate workmen's compensation is a serious problem to the worker temporarily but totally disabled, the hardship in most cases is short-lived. The worker, however, who suffers a permanent-partial or a permanent-total disability stands to suffer the remainder of his life. His benefits replace even a lesser amount of his wage loss.

Eighteen jurisdictions place a maximum dollar amount on indemnity benefits for a permanent-total disability. These maximums range from less than $9,000 to $20,000.

Seven States stipulate the maximum number of weeks for which benefits shall be paid. These vary from 400 weeks in Louisiana to 550 weeks in New Mexico. Twenty-five jurisdictions, therefore, stipulate a maximum amount either by dollars, by weeks or by both.

By this device, State legislatures have evaded their responsibility to the most seriously impaired workers and to their families.

The average incurred loss per case for permanent-total disability in 1954 was $16,758. While wages between 1939 and 1954 had increased 185 percent, the cost per case of permanent-total injury had increased only 178 percent.

Permanent-partial Disability. Most permanent-partial disabilities are compensated in accordance with a schedule of benefit amounts. One illustration will suffice to show the unbelievable range of benefit amounts paid by the various States for a single loss. For the loss of an arm (at shoulder) Wisconsin pays an amount equal to 500 times the injured worker's basic benefit amount; Vermont pays 170 weeks. Four States pay less than 200 weeks; 24 States pay 200 or more but less than 250; 12 States pay 250 or more but less than 300; 10 States pay 300 or more but less than 350; 1 State pays more than 350 weeks. Unfortunately, the basic wage is low in many States which pay benefits for a fewer number of weeks, thereby compounding the hardship.

In 1954, the average incurred loss for a *major permanent-partial* was $5,010. Major parts of a body bring bargain prices for an employer in today's workmen's compensation market.

Financing Workmen's Compensation

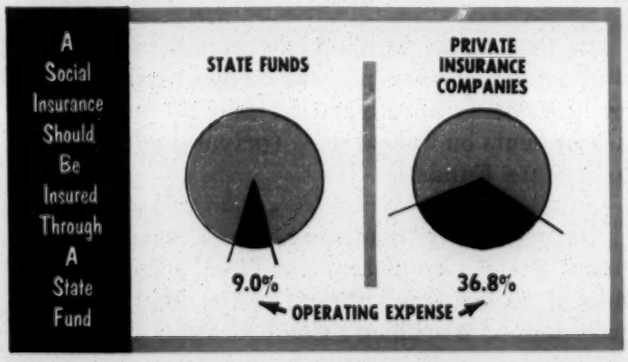
In 1956, total benefit payments, medical and compensation, amounted to $1,002 million. In 17 jurisdictions, representing two-fifths of the covered workers, these benefits amounted to less than ½ of 1 percent of covered payroll in 1956, and in 37 jurisdictions, representing 86.1 percent of the covered workers, amounted to less than 7/10 of 1 percent of covered payroll. [7] "Only in six States with 6 percent of covered employment did benefit payments absorb as much as 1 percent of payroll." [8] The right column of the chart on page 55 breaks down the benefits as percent of payroll by States.

The estimated cost of workmen's compensation to the employers as a percent of covered payroll in 1956 was .92 percent and in dollars amounted to $1,630 million. Substantially, general administration, policywriting, claims investigation and adjustment, safety, taxes and profit consumed the difference between $1,002 million in benefit payments and the $1,630 million set aside by employers.

Employers insure their risk either with a stock

[6] Skolnik, p. 12.

[7] Skolnik, p. 11.
[8] Skolnik, p. 9.



or mutual (private) carrier, with a State Fund (competitive or exclusive) or self-insure. Over the past ten year period the expense ratios of the mutual and stock companies have averaged respectively between three and four times as much as the exclusive and competitive State Funds. As a result, exclusive and competitive State Funds return a greater portion of the premium dollar to injured workers.

The attack against a workmen's compensation program geared to the needs of injured workers is spearheaded by the private insurance carriers. From the dollars paid by consumers for services and set aside by employers for injured workers comes the revenue to fight improved legislation.

In February 1957, the AFL-CIO said: "The time is overdue for a complete investigation of the generosity toward agents, brokers, officials and stockholders of insurance companies compared with the harsh treatment to injured workers. Employers should be required to testify as to why they have tolerated such exorbitant insurance costs—and this testimony laid beside the chronic excuses made by industry as to why it cannot pay decent benefits for the injured." State legislatures should be encouraged to make inquiry into the insurance of workmen's compensation at their regular sessions in 1959.

State Administration

Wyoming, New Mexico, Louisiana, Alabama and Tennessee administer their workmen's compensation laws through the courts. Forty-three States and all the Territories administer their laws through separate commissions or their labor department.

The inherent nature of the court system precludes supervision of medical care, rehabilitation, vocational rehabilitation, the assurance of prompt benefits, and the promotion of safety and health activities.

In 1956, total administrative costs were $17.4 million. Thirty-five percent of this total was met by legislative appropriation and 65 percent by assessments on the carriers (private, self-insurers and State Funds.)

Unfortunately, inadequate funds have crippled many State administrations from doing the job needed to be done. Recently, the Michigan Department of Workmen's Compensation was unable to hold referee hearings for 10 days because it had no funds to pay court stenographers.

On the whole, State administrators prefer to have departmental costs financed through assessments rather than legislative appropriation. Since general funds of States may be hard-put to meet rising costs of government, workmen's compensation may fare better if supported by an assessment against the insurance carriers.

Legislation Needed

In the beginning, workmen's compensation was a marked improvement over the common law. Legislatures have failed to fit their programs to the needs of injured workers.

To remedy the neglect, the Second Constitutional Convention of the AFL-CIO, December 1957, adopted the following objectives:

"Compulsory workmen's compensation must be extended to all workers. Provision must be made for free choice of a qualified doctor, full medical care, hospitalization and, when needed, rehabilitation. Weekly indemnity benefits must be established in amounts equal to at least two-thirds of average weekly wages during disability. And adequate provision must be made for dependents during dependency.

". . . establishment of a workmen's compensation department with right to appeal to an appeals board which has no administrative responsibilities and from which appeal on matters of law only can be made to the highest court in a State will provide a workable procedure to achieve equity and promptness in granting awards to workers injured on the job.

". . . workmen's compensation should be insured through an exclusive state fund in order that benefits can be made adequate at the least cost to society and that safety and rehabilitation programs can be coordinated with administrative efficiency.

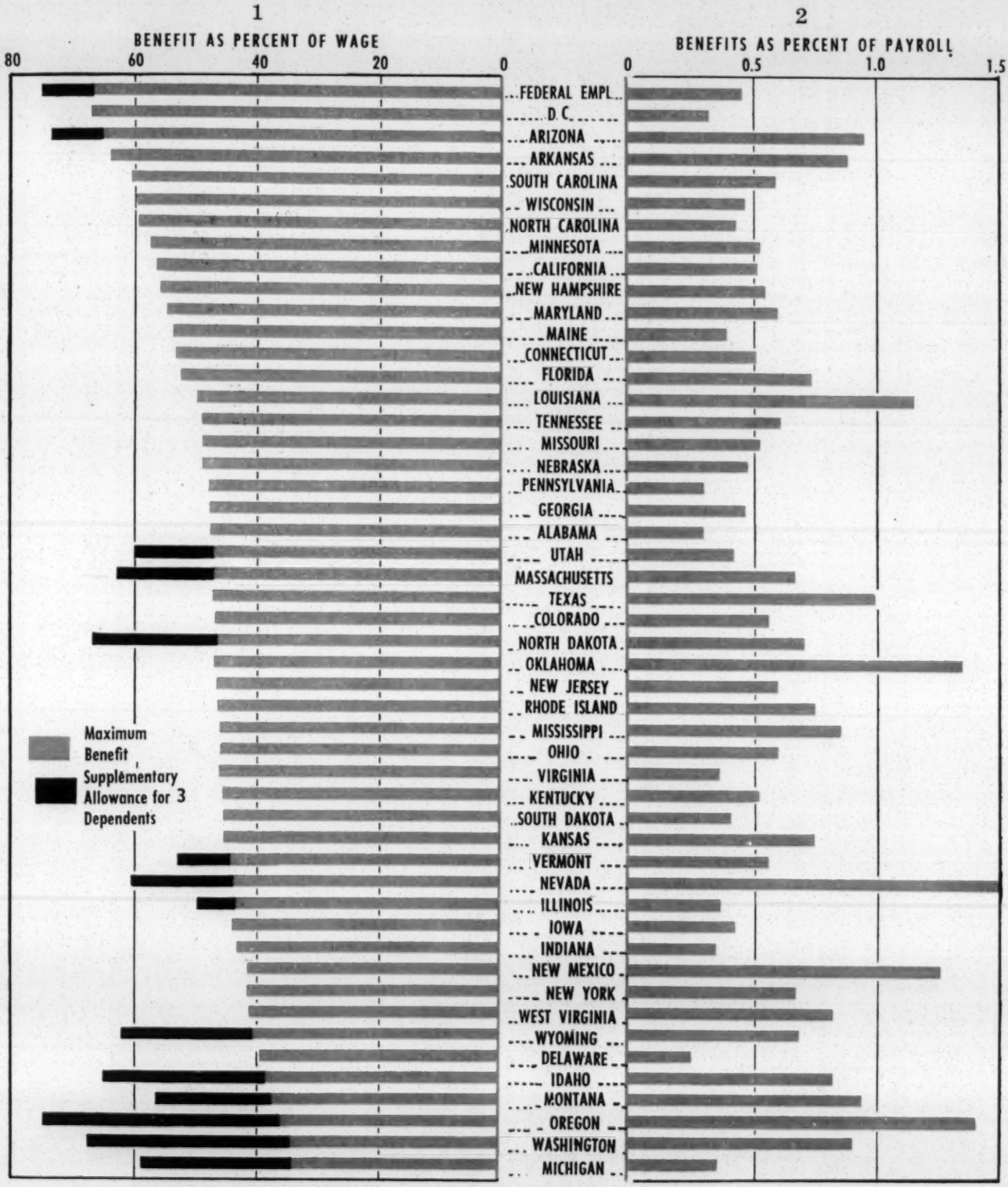
"We support the enactment of a Federal Workmen's Compensation Act. Short of this the Congress of the United States should enact legislation fixing minimum standards of workmen's compensation."

This issue of Labor's Economic Review was prepared by Mr. Clinton Fair, Assistant Director, AFL-CIO Department of Social Security.

States Can Afford to Do Better

1 Maximum weekly benefit for temporary total disability, August 1957, as percentage of weekly wage, 1956 (Column 1)

2 Total Benefits as percent of covered unemployment insurance payroll, 1956 (Column 2)



Source: Skolnik, Alfred M., "Trends in Workmen's Compensation: Coverage, Benefits and Costs," *Social Security Bulletin*, Vol. 21, No. 8, August 1958, p. 11.

Workmen's Compensation, September 1, 1958

Jurisdiction	Temporary Total Disability: Intended Benefit as % of Weekly Wage	Temporary Total Disability: Actual Maximum Weekly Benefit Allowed	Death Benefits: Maximum Duration in Weeks	Death Benefits: Maximum Total Payments	Maximum Medical Care [2]	W.C. Benefits for Rehabilitation	Coverage of Occupational Diseases
Alabama	55–65 [1]	$ 31	300	$12,400	6 mos.—$1,200	No	Limited
Alaska	65	100	.....	9,000–15,000 [3]	4 years	Yes	Full
Arizona	65 [4]	150 [5]	W–C [6]	.....	[7]	Yes	Limited
Arkansas	65	35	450	12,500	[8]	Yes	Full
California	61¾	50	250–312½ [9]	12,500–15,000 [3]	.....	No	Full
Colorado	66⅔	38.75	312	11,466	6 mos.—$1,500	No	Limited
Connecticut	60	45	W–C [6]	.....	.....	No	Full
Delaware	66⅔	35	400 [10]	.....	.....	No	Full
District of Columbia	66⅔	54 [11]	W–C [6]	.....	.....	Yes	Full
Florida	60	35	350	.....	.....	Yes	Full
Georgia	60	30	400	.....	10 wks.—$1,125 [12]	No	Limited
Hawaii	66⅔	75	W–C [6]	25,000	.....	Yes	Full
Idaho	55–65 [1]	28–48 [1]	400 [10]	12,000	.....	No	Limited
Illinois	75–97½ [1]	30–45 [1]	W–C [6]	10,750–13,500 [3]	[8]	No	Full
Indiana	60	36	400	15,000	.....	No	Full
Iowa	66⅔	32	300	.....	.....—$1,500 [13]	No	Limited
Kansas	60	34	W–C [6]	12,500	120 days—$2,500 [14]	No	Limited
Kentucky	65	32	400	12,000	.....—$2,500	No	Full
Louisiana	65	35	400	.....	.....—$2,500	No	Limited
Maine	66⅔	35	300	10,000	[8]	No	Limited
Maryland	66⅔	40	500	10,000	.....	No	Full
Massachusetts	66⅔	35 [15]	400 [10]	10,000 [16]	.....	Yes	Full
Michigan	66⅔	33–57 [1]	450	.....	.....	No	Full
Minnesota	66⅔	45	W–C [6]	17,500	.....	Yes	Full
Mississippi	66⅔	35	450	12,500	.....	Yes	None
Missouri	66⅔	37.50	W–C [6]	12,000	.....	Yes	Full
Montana	50–66⅔ [1]	28–42.50 [1]	500	.....	36 mos.—$2,500 [17]	No	Limited [18]
Nebraska	66⅔	34	325	.....	.....	No	Full
Nevada	65–90 [1]	37.50–51.92 [1]	W–C [6]	.....	[8]	No	Full
New Hampshire	66⅔	37	341	12,617	.....	No	Limited
New Jersey	[19]	40	350 [10]	.....	.....	Yes	Full
New Mexico	60	30	550	.....	.....	No	Limited
New York	66⅔	45	W–C [6]	.....	.....	Yes	Full
North Carolina	60	35	350	10,000	.....	No	Limited
North Dakota	80	31.50–45.50 [1]	W–C [6]	.....	.....	Yes	Full
Ohio	66⅔	40.25	416	12,000	.....	Yes	Full
Oklahoma	66⅔	35	.....	13,500	.....	No	Limited
Oregon	50–75 [1]	30–66.92 [1]	W–C [6]	.....	.....	Yes	Full
Pennsylvania	66⅔	37.50	350 [10]	.....	.....[20]	No	Full
Puerto Rico	60	25	540	9,000	.....	Yes	Limited
Rhode Island	60	32	600	.....	.....	Yes	Full
South Carolina	60	35	350	10,000	.....	No	Full
South Dakota	55	30	.....	7,500–9,000 [3]	20 wks.—$300 [21]	No	Limited
Tennessee	65	32	W–C [6]	11,000	1 year—$1,500	No	Limited [22]
Texas	60	35	360	.....	[8]	Yes	Limited
Utah	60	35–47.25 [1]	313	10,206.70–12,552.65 [3]	..... [7]	Yes	Full
Vermont	66⅔	30 [23]	330	9,900	.....—$2,500 [8]	No	Limited
Virginia	60	33	300	9,900	60 days [24]	No	Full
Washington	.....	28.85–56.77 [1]	W–C [6]	.....	.....[25]	Yes	Full
West Virginia	66⅔	33	W–C [6]	.....	.....$1,600 [8]	Yes	Full
Wisconsin	70	49 [11]	400	13,000 [26]	.....	Yes	Full
Wyoming	.....	30–46.15 [1]	W–C [6]	7,000–13,000 [3]	.....	No	None
U. S. Fed. Employees	66⅔–75 [1]	121.15 [11]	W–C [6]	.....	.....	Yes	Full
Longshoremen	66⅔	54 [11]	W–C [6]	.....	.....	Yes	Full

[1] Lower figure represents benefit for single worker; higher figure represents benefit maximum all dependents.
[2] Benefits may not exceed period of time or amount indicated.
[3] Lower figure represents payments to widow only; higher figure represents benefit maximum all dependents.
[4] Additional benefits for dependents.
[5] Plus $2.30 for each totally dependent.
[6] "W" means payment to widow until death or remarriage; "C" means payment to children until 18. Some jurisdictions have variations of this general principle.
[7] Limited benefits for occupational disease in Arizona and Utah.
[8] Limited benefits for silicosis and asbestosis: Arkansas, Illinois, Maine, Nevada, Texas, Vermont. In West Virginia no allowance for medical treatment for silicosis.
[9] 250 weeks in cases of total dependency; 312.5 weeks in cases of surviving widow and one or more dependent minor children.
[10] Thereafter reduced benefits for children only until 18.
[11] Additional specific cases—rehabilitation, constant attendant, etc.
[12] Period may be extended; amount may be increased not to exceed $375.
[13] $1000 maximum for hospital service and supplies and $500 for medical and surgical services. Commission may authorize an additional $1000.
[14] In extreme cases, Commissioner may require employer to furnish care for a longer period. In case of silicosis, additional period is limited to 90 days.
[15] $35.00 for 13 weeks, then $40; plus $4 for each total dependent.
[16] Additional benefits for dependent child; in Massachusetts, benefits continue until 18, or over 18 if incapacitated, and to widows during periods they are not fully self-supporting.
[17] In case of total disability where the $2,500 is insufficient to meet all hospitalization expenses, additional benefits may be allowed.
[18] A separate act provides for payment of $65 per month from public funds to persons totally disabled from silicosis, if they have been residents of Montana for 10 years.
[19] Benefits set in accordance with a "wage and compensation schedule."
[20] Initial amount for surgical and medical services limited to $450. In addition, hospital services, orthopedic appliances, and prostheses are allowed for first 6 months. Board may order further medical, surgical and hospital services after end of the first 6 month period.
[21] Also hospital benefits not to exceed $700.
[22] Full coverage permissible.
[23] Plus $2 for each dependent child under 21.
[24] May be extended for 1 year including the first 60 days.
[25] Under certain conditions, medical benefits terminate.
[26] Additional benefits payable from Children's Fund to widow for children under 16 (13% of widow's benefit is the weekly or monthly allowance made for each dependent child); or for children over 16 if mentally or physically incapacitated.

NOTE: For a more complete comparison of the laws, write to the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. for State Workmen's Compensation Laws (Bulletin 161, Revised) published by the Bureau of Labor Standards, U. S. Department of Labor. The above material based on that publication.

Dubuque Leader
5/13/60

Stretching a Point

Albany, N. Y.—(PAI)—Shooting paper clips out of an office window with a rubber band can be considered part of a job under certain circumstances, the New York court of appeals has ruled.

James Johnston, a Staten Island mesesnger, was doing just that when a paper clip backfired and injured his eye. The court declined to set aside a workmen's compensation award of $228.64, saying the activity was sufficiently close to his regular job. The accident occursed while he was waiting for messages to deliver.

INDUSTRIAL COMMISSION

OF

WISCONSIN

MATHIAS F. SCHIMENZ
Commissioner, Chairman

R. G. KNUTSON
Commissioner

JOHN H. ROUSE
Commissioner

HELEN E. GILL, *Secretary*

RALPH E. GINTZ, *Director of Workmen's Compensation*

WORKMEN'S COMPENSATION

Thirtieth Report

July 1, 1958 to June 30, 1960

FOREWORD

General

This report covers administration of the workmen's compensation act for the biennium ended June 30, 1960. Cases cited are arranged in chronological order. The index is both by alphabetical and by topical subject.

Administration of the compensation act is under the Director of Workmen's Compensation, who in turn is directly responsible to the Industrial Commission of three members. Approximately 60 employes, including 8 hearing examiners, are employed in administration of the act.

For the year ended June 30, 1960, benefits paid were over 13½ million dollars. In addition to benefits tabulated a substantial sum has been paid for medical benefits not reported to the commission because reports are not required in cases where disability results for less than three days. In other cases, medical benefits are by contract so that no fixed sum can be reported in an individual case.

Uncontested Cases

Currently over 28,000 reports of injury per year are being made to the commission by about 63,800 employers subject to the act. Some of these cases are reported in error. Approximately 90 per

without contest

cent of compensable cases are processed by the commission through reports and correspondence without dispute or formal intervention. The commission's function is to make certain that proper reports are filed and that compensation is paid on an adequate and legal basis. This requires a great deal of detailed examination by expert personnel trained to analyze law and compute benefits in different types of cases, some involving trivial sums and others many thousands of dollars.

It is the commission's policy not to approve final settlements in cases in which no contest arises. When the commission determines that proper benefits have been paid, the case is placed on file. If later it is discovered that additional benefits are due, the matter is reactivated and the employer or insurance carrier is required to make additional payment. Cases so handled may be reopened within six years from the date of last payment of compensation, and further benefits ordered on proper showing.

The law provides that where valid dispute exists, parties may compromise their differences and submit proposed settlement to the commission. If approved, the compromise may be reviewed within one year from the date of filing or of the award of the commission. If no action is taken within that period, the settlement becomes absolutely final and no further benefits can be collected. Compromise agreements are approved only when it is shown that a genuine dispute has resulted. Parties are required to submit supporting statement and further investigation may be carried out by the commission in order to make certain that a real dispute exists which warrants compromise. If the commission concludes that on the basis of reasonable probability full liability should be assumed, the compromise is rejected and if the employer or carrier fails to assume full liability, formal hearing is ordered.

The checking of reports is a task which is of vital importance. The commission must be certain that full facts are correctly reported in order to make certain that proper benefits are paid. In this function, the commission relies principally upon the reports of employers and insurance companies. The large majority of employers are insured. A comparatively small number are permitted exemption from insurance. Where the employer is "self-insured" he makes all reports. Where he carries insurance, he makes first report of injury to the Industrial Commission (as well as to his

carrier) and subsequent reports are made by the insurer. The law requires employers to make report of injury on the fourth day after beginning of disability due to accident or to occupational disease provided some disability exists after the third day following the date of injury. On the eleventh day, report is to be filed showing that payment has commenced or giving the reason for failure to pay. No further report need be made except as compensation is stopped for whatever reason. If dispute has arisen, a memorandum must be attached advising the nature of controversy. When "settlement" is made, this must be promptly reported to the commission on final report form, accompanied by the copy of receipt signed by the employe. If reports are properly made, this closes the case subject to reopening if further claim is timely made by an employe. Where disability lasts more than three weeks or any permanent disability results physician's report is supplied detailing the elements which constitute disability and stating the doctor's opinion as to the extent of disability which has resulted. These reports are reviewed in the light of standards and administrative rules adopted by the commission.

The commission is at all times empowered to make full investigation of any and all questions. Before a case is closed, the reports which are filed are carefully analyzed and used as checks against each other. An extensive follow-up system is employed to make certain that reports are filed.

When the employer's report of injury is received, the employe is sent a letter advising him of his rights and duties. He is also sent a little booklet which answers many questions usually asked by injured employes and their dependents. He is invited to write to the commission if dispute develops or if he has doubt upon any point. In most cases, the employe is therefore able to determine for himself whether or not proper benefits are being received. In case of doubt, the commission is prepared to act for him in clearing up misunderstanding. Employes are encouraged to appear before the commission's representatives for interview if correspondence does not suffice. They are thus saved time and expense which would result from formal hearings.

Where injury occurs because of violation of a safety order or statute, 15 per cent increased compensation becomes payable by the employer and cannot be assumed by the insurer. Where the

employer's report indicates that injury may so have resulted, the commission's safety division investigates the circumstances of injury. If it appears that injury was due to violation of an order or law, the employer is advised. If liability is admitted, increased compensation is paid; if not, formal hearing is had, following which a decision is made. Likewise, where injury occurs because of willful failure of the employe to use a safety device or to observe a rule adopted by the employer for his safety, compensation may be reduced 15 per cent.

Cases involving employment of minors in violation of the child labor law call for payment of double or treble compensation by the employer and are similarly handled.

As one of the principal objectives of the law was to insure that employes should receive prompt and continuous payment of compensation as and when due, the commission has made an especially intensive drive to insure the accomplishment of these factors. Statistics which have been developed indicate gratifying results—results which are not paralled by the record of any other state.

As wage basis is the "heart" of the compensation system, special attention is paid to the checking of earnings as reported by the employer. An injured employe receives compensation of 70 per cent of weekly wage, with maximum compensation of $54.00 per week for temporary and $40.00 for permanent disability, regardless of the amount of wage. Correspondence is constantly in process in order to acquire definite information. Very substantial sums have been recovered for employes because of this process.

In over 10 per cent of compensated cases some permanent disability results. It is the commission's function to determine the extent of disability and to apply legal provisions in order to determine benefits which become due. In addition to checking of reports the commission calls employes in for interview so that examiners of the commission may view disability and check it with the physician's report. If it is found that proper compensation is not being paid, correspondence is conducted with the employer or insurer. If dispute then still exists, formal hearing is ordered.

Contested Cases

The law provides that where dispute cannot otherwise be adjusted, formal hearing may be held upon application by either

party. Hearings are conducted at county seats and at other points throughout the state. This avoids expense of parties in appearing and producing witnesses at Madison. Hearings are conducted by law-trained examiners who hear and decide cases in the same manner as does a judge. These examiners have broad powers of independent investigation and are not bound solely by testimony presented at hearing. Their duty is to obtain all essential facts, make all necessary investigation, and to apply pertinent law in reaching their decision. A stenographic record is made of all testimony taken. While proceedings are more informal than in courts of law, orderly procedure is maintained, and records are made upon which there may be appeal to the commission and to the courts.

Examiners make the primary decision, which becomes final unless there is petition for review to the commission as a body. This results in speed of hearing and decision. Uniformity is achieved by the provision for review by the commission as a body. These reviews are based upon the record made and upon such further investigation, hearing, oral argument or briefs as may be found desirable in individual cases. Usually the review is upon the record made at the time of hearing. It is intended that no further hearing shall be had except as diligence can be shown or as undue hardship might result. The commission had full power to take any and all steps necessary to safeguard the interests of parties.

During the biennium between July 1, 1958, and July 1, 1960, the total number of petitions for review from examiners' decisions to the commission as a body was 705. This number of cases constitutes about 31 per cent of the total number of matters decided by examiners during this period. The number of cases reviewed is explained by the fact that it costs nothing to appeal; therefore many persons who feel aggrieved file a petition for review. ?

Either party may, within 30 days from the date of mailing of a decision of the commission, begin an action for review in the Circuit Court of Dane County. From the decision of the Circuit Court there may be further appeal to the Supreme Court within 30 days from entry of judgment. Appeal to the commission may be upon either questions of fact or law. Appeals to the courts can be only

upon questions of law. Appeal to the courts may be made only where the decision of the examiner has been reviewed by the commission as a body.

Compensation Insurance

It is the commission's duty to make certain that employers subject to the compensation act insure their risks, unless they are permitted to self-insure, and to determine what employers shall be exempt from insurance.

This duty is one which involves considerable difficulty and detail. The work is facilitated by the filing of reports upon all policies issued by the insurance carriers. This makes it possible to see that employers who have taken out a policy either renew it at expiration, insure with some other company, or satisfy the commission that for good reason insurance is no longer required. The commission also checks lists of employers in given industries or towns to determine which have failed to insure and then to ascertain their status. This function involves a great deal of detail since there are over 63,000 employers in Wisconsin who carry insurance. The commission estimates that there are probably 5,000 employers subject to the act who are violating the law by failing to insure. Without special personnel for this task no substantial progress can be made in reducing the number of violations. The commission believes that to provide good service, both to employers and employes, several persons should be assigned for this purpose. Many employers are innocently unaware of the fact that they are subject to the compensation act. Others, through inadvertence, or by willful intention, have failed to provide insurance. Many employers are unable to assume the cost of compensation benefits, which in a single case may amount to many thousands of dollars.

The duty of passing upon applications by employers to carry their own risk under the compensation act involves less work but is equally responsible. On July 1, 1960, there were approximately 160 employers who were permitted to "self-insure." These employers, however, had about one-sixth of the total pay roll of the state. They are required to file with the commission a sworn statement of assets and liabilities indicating financial responsibility sufficient to meet any claim which may arise. The commission has the power to require a deposit of bonds or other securities in trust

to insure that liability will be met. The commission is reluctant to permit self-insurance except as employers are able to make strong financial showing and to set up administrative machinery to insure speed and adequacy in payment comparable to that provided by good insurance carriers. Generally speaking, employers of a small number of employes are not permitted to assume their own risks,—this in view of the fact that a catastrophe might wipe out all of their assets and thus leave employes without compensation. Most employers who assume their own liability provide excess insurance in case liability from a single accident exceeds a specified amount, not less than $15,000.

WILLIAM W. KRUEGER

vs.

WEST BEND ALUMINUM COMPANY

BENJAMIN GRAFF

vs.

WEST BEND ALUMINUM COMPANY

EUGENE LENTZ

vs.

WEST BEND ALUMINUM COMPANY

July 22, 1958

Vacation pay does not affect eligibility for compensation.

On July 22, 1958, the commission issued decisions in these three cases which involved the issue of whether compensation payments are to be continued during weeks of paid vacation. Injuries were sustained previous to a general plant shutdown for paid vacation in all three cases and the applicants were temporarily totally disabled during the vacation periods.

It was held that the claimants were entitled to workmen's compensation for their disability during paid vacation. While vacation pay is conceded to be wages, it is not considered to be earnings for the period in question within the meaning of Subs. 102.43 (5). Vacation pay accrues on the basis of past service.

Subs. 102.30 (1) provides that liability for compensation shall not be reduced or affected by insurance, contribution or other benefit, and vacation pay is considered to be other benefit within the meaning of this subsection. It was also considered that one who is disabled is also unable to use his vacation period for the customary or normally intended purpose of a vacation.

ARDEN L. THORSBAKKEN

vs.

RED CROSS DRUG COMPANY

July 30, 1958

Internal derangement of knee compensable.

The applicant was employed by the respondent as a pharmacist. Upon three occasions during September and October, 1957, his left knee locked as he arose from a squatting position while at work. He had squatted to place merchandise weighing approximately one pound on the lower display shelf. On the last occasion of his knee locking, which was on October 16, the pain was much more severe and it took one-half hour for him to manipulate it to unlock it. The only medical evidence was two verified reports on Form A-16-b, which made a diagnosis of internal derangement of the knee and attributed the condition to such accidental injury. Some question may be raised as to whether stooping and squatting constitutes an accident within the meaning of the compensation act, but it was felt that this activity did involve stress and strain to the knee, and in view of the *undisputed* medical evidence, the commission reversed the examiner and found that the claim was compensable.

MRS. GWEN SNITKO

vs.

CITY OF MILWAUKEE

August 11, 1958

School crossing guard's injury held compensable.

Applicant was employed by the respondent as a school crossing guard stationed at a corner one block from the school. During the noon period applicant reported for duty at approximately 11:50 a.m. and remained on duty at her corner until the children ceased coming from school, which was usually about 12:15 p.m. She was then free to do and to go as she pleased until the children started returning after lunch at about 12:30 p.m. On January 20, 1958, applicant left her corner at 12:15 p.m. and went to the rest room in the school. She noticed some children playing in the snowbank and getting into the street near the school as she was returning to her station. She slipped and fell on the sidewalk and fractured her wrist as she stopped to reprimand the children.

The commission held that applicant's injury was compensable. It was considered part of her work to protect and guard the school children not only at her station but in the vicinity of the school, and also that the personal comfort doctrine applied to her going to the school rest room. See *Krause vs. Western Casualty and Surety Co., et al*, #170 August Term of the 1957 Wisconsin Supreme Court.

(This case was confirmed by the Circuit Court of Dane County on April 24, 1959.)

ROBERT KRAMER

vs.

E. C. KOENIG

September 5, 1958

Accountant injured on public sidewalk not in course of employment.

The respondent had an accounting business and office in Merrill, Wisconsin, and applicant was employed by him as an accountant. On January 23, 1956, applicant was doing accountant work for a client of the respondent in the office of the client across the street from respondent's office. Applicant spent the entire morning in the client's office and went home for lunch at noon. After lunch he proceeded toward the client's office where he was to work for another two or three days. Under these circumstances it had been customary to go directly to the client's office without reporting to respondent's office. On the way to the client's office applicant stopped at the bank to cash his personal pay check. He slipped and fell on the public sidewalk about 40 feet from the entrance to the client's office. Applicant was not reimbursed for any travel expense in servicing such accounts.

The commission affirmed the examiner's finding that injury was not sustained while applicant was performing service growing out of and incidental to his employment, and that injury did not arise out of his employment. Applicant had not reached the premises of his employer or the premises of the client on whose premises service was to be performed. See 102.03 (1) (c).

(This case was dismissed on stipulation by the Circuit Court of Dane County on April 27, 1959.)

CITY OF MILWAUKEE

vs.

DOROTHY E. SHEAHAN, WIDOW (John E. Sheahan, Deceased)

October 20, 1958

Death of city fireman shortly after collapse at fire held compensable.

The deceased, who was 50 years of age, worked as a fireman for the respondent approximately 24½ years. On the evening of December 29, 1957, he responded to a fire call and entered a building which was filled with thick smoke. He staggered back up the basement stairway and directed his men to get masks. He then collapsed immediately and died a short time later. There was snow and ice on the ground, and the weather was cold. An autopsy was not performed but there was medical testimony that the deceased died from acute coronary insufficiency due to stress and smoke inhalation. There was also medical testimony that death was caused by a coronary occlusion or thrombosis due to arteriosclerotic coronary arteries.

The commission affirmed the examiner's finding that death was due to the employment and death benefit was awarded to the widow.

MRS. HELEN ZSCHOCK (Albert Zschock, Deceased)

vs.

WISCONSIN BRIDGE & IRON COMPANY

November 17, 1958

Children born out of wedlock held dependent.

Accidental compensable injury and death on July 11, 1957, have been admitted. The issue was concerning division of death benefits as between the widow and two children of the deceased. The evidence established that the widow and deceased were married July 24, 1954, and they lived together as man and wife until his death. There were no children of that marriage but the deceased left two daughters who were born in 1949 and 1951. He had never been married to the mother of the children and she in fact was married to another man at the time she lived with the deceased. Birth records and other circumstances overcame the presumption of the legitimacy of the children. The mother was in fact married to another person at the time of the deceased's death. The deceased had made some contribution to the support of the children.

The examiner found that the deceased was obligated to support the children and that it was equitable to divide the death benefit with 50 per cent to the widow and 25 per cent to each of the daughters, whose shares were placed on deposit in a bank for their future needs subject to withdrawals only upon authorization from the commission.

(This case was reversed by the Circuit Court of Dane County on December 8, 1959, and was affirmed by the Supreme Court on October 4, 1960.)

MRS. ARDINA ENDERBY

vs.

FIRST TRINITY LUTHERAN CHURCH OF MARINETTE

January 6, 1959

Church worker held to be a volunteer.

Applicant was a member of the respondent church. During church services on the Sunday before May 29, 1957, the pastor requested that some of the ladies clean the church and kitchen. Applicant and 6 or 7 other ladies responded and did the cleaning on May 29, 1957. They received luncheon with funds provided by the Mission Society of the church but did not receive any wages for their services. The applicant sustained injury when she fell from a small ladder while cleaning the center light in the kitchen.

The examiner and the commission held that the applicant was a volunteer and not an employe under contract of hire, express or implied. She was not required to do this work and would not have lost any church rights if she had not volunteered to help.

(This case was confirmed by the Circuit Court of Dane County on May 9, 1960.)

FOUR WHEEL AUTO DRIVE COMPANY

vs.

DUANE HOFFMAN

January 6, 1959

Injury due to horseplay compensable.

Applicant sustained injury when some unknown employe apparently threw a firecracker into or near the place where he was working as a sander. He believed that the firecracker had even gone into the welding helmet, which came off when he fell over from fright at the time of the explosion. Applicant sustained a 23.5 per cent loss of hearing in his right ear, which the examiner and commission held to be compensable since he was the innocent victim of horseplay.

ETHEL KOMPAS

vs.

MILWAUKEE COUNTY

January 27, 1959

Review of compromise dismissed.

Application was filed for an alleged back injury and the respondent denied that injury arose out of employment. Hearing was held and the parties subsequently agreed to a compromise settlement, which was approved. Surgery had been performed previous to the compromise agreement.

Application was made for review of the compromise and after hearing the examiner found that although additional extensive treatment and disability had resulted subsequent to the compromise agree-

ment, and that such treatment and disability were not then anticipated, the principal issue had been whether injury arose out of employment. The examiner found that there was no change in the evidence on that issue of injury and the compromise was therefore confirmed.

(This case was confirmed by the Circuit Court of Dane County on March 29, 1960.)

WESTERN-KNAPP ENGINEERING COMPANY

vs.

EINO HIETALA

April 28, 1959

Interlocutory order sustained.

Hearing was scheduled March 4, 1959, upon motion of the Industrial Commission since the insurance company claimed 15 per cent decreased compensation because of intoxication. The examiner dismissed such claim for decreased compensation and awarded full primary compensation by an interlocutory order reserving jurisdiction as to all issues. The injury had occurred July 8, 1958, and compensation had been paid for 2 weeks and 4 days' temporary total disability. Issue had not been raised concerning any further disability or treatment.

The insurance company petitioned for review objecting only to the interlocutory aspect of the order, conceding that jurisdiction be retained for the statutory six years, but objecting to an indefinite reservation. The commission felt that since the only issue at the hearing was whether compensation should be reduced by 15 per cent a dismissal of that issue would not affect or preclude further claim for primary compensation within the statutory six years. The examiner's order was modified accordingly.

CLARENCE DURAND

vs.

JANE BAUMGART, WIDOW (Donald Baumgart, Deceased)

April 28, 1959

Fatal injury while being transported from work by employer compensable.

The deceased sustained a fatal injury August 29, 1957, in an automobile accident. The issue was whether injury and death occurred in the course of and arose out of employment with the respondent.

The deceased and the respondent, who was engaged in road construction work, both resided in Oconto and were married to sisters. The deceased asked the respondent for a job and informed him that he would be without transportation beginning the latter part of August when his wife took their car to Madison for a teaching job she had near there. The respondent agreed at the time deceased asked for employment to take him to and from work after his wife left with their car. There was no other means of transportation readily available and the deceased met his death while he was being

transported home from work by the respondent and after his wife had moved to Madison. It was held that there was an undertaking to transport the deceased to and from work as a part of the contract of employment, and that death benefits were due the widow.

BURD PISTON RING COMPANY

vs.

BILLY G. HUFFSTUTLER

April 28, 1959

Employer liable for medical charge of consultant.

Accidental compensable injury was admitted and compensation was paid. The only issue was liability for medical expense for treatment at the Mayo Clinic. Applicant was attended and treated by Dr. Lotz of Eau Claire following his injury and Dr. Lotz referred him to the Mayo Clinic for specialized consultation and treatment of the injury. The examiner found that the insurance company was responsible for these charges and his order was affirmed by the commission.

CLARENCE KRESSIN, GUARDIAN OF JEAN AND

ROY KRESSIN, JR.

vs.

MRS. ROSEMARY KRESSIN, WIDOW OF

ROY A. KRESSIN, DECEASED

and

HARLEY-DAVIDSON MOTORS COMPANY

August 4, 1959

Death benefits reassigned between widow and children.

A fatal accident and death on May 14, 1958, were admitted. The only issue was reassignment of death benefits as between the surviving widow and two minor children, 11 and 14 years of age, pursuant to 102.51 (6).

There was no estrangement but the wife had for some time prior to May 14, 1958, been confined in a Milwaukee county institution for mental illness. She was released previous to May 14, 1958, but was not permitted to live in the same household with the children and the deceased, except for limited visitation privileges. A brother of the deceased was appointed guardian over the minor children following the death of the father.

The examiners concluded that two-thirds of the primary death benefit should go to the widow and one-third to the guardian of the two minor children, who are eligible for benefits under 102.49. Payments by the State under such section were not affected and will likewise go to the guardian. This division was affirmed by the commission subject to reassignment in the event of any substantial change in the circumstances of the parties.

GLORIA JEAN SACKETT, CLIFFORD VERNON SACKETT, BRENDA JOYCE SACKETT AND LORRAINE LOCKMAN

vs.

MRS. SHIRLEY SACKETT

and

SENN CONSTRUCTION COMPANY, INC.

August 4, 1959

Death benefits apportioned between widow and children of previous marriage.

Fatal accidental injury September 19, 1958, was admitted. The only issue was apportionment of death benefits under the provisions of 102.49 (3).

The applicant Lorraine Lockman and the deceased had three children of their marriage, who were born in 1950, 1951 and 1953. Mrs. Lockman obtained a divorce July 15, 1954, and married her present husband, Mr. Lockman, in July, 1955. Following the marriage she and her children lived with Mr. Lockman in the State of Oregon, and the deceased did not make any payments for the support of the three children.

The applicant, Mrs. Shirley Sackett, married the deceased in 1956 and had a posthumous child born December 20, 1958. All parties were apparently in equal need.

The examiner distributed the primary death benefit with three-fourths to the widow and one-fourth to a savings institution for the future needs of the three children. The state payments under 102.49 were awarded directly to each of the mothers. This apportionment was affirmed by the commission.

NORBERT BROST

vs.

ARTHUR JOHNAS

December 11, 1959

Liability for treatment by Veterans Administration.

The respondent and insurance carrier had not provided necessary treatment, which the applicant obtained at the Veterans Administration at Wood, Wisconsin. The commission held that even though the applicant as a veteran did not incur liability or expense for such treatment by the Veterans Administration, the expense for such treatment was incurred *on behalf* of the applicant. See Subsection 102.42 (1). It was concluded that the respondent and insurance carrier are, therefore, liable to the Veterans Administration for the reasonable charges of necessary treatment.

Before treatment was provided by the Veterans Administration applicant was required to sign a power of attorney and an agreement assigning any civil rights of action for recovery of the treatment expense and specifically referring to workmen's compensation statutes. Claims under workmen's compensation are not assignable in Wisconsin but this did indicate intention not to provide the treatment gratuitously where other right of action existed.

WILLIAM H. VOGES

vs.

VOGES SERVICE, INC.

December 28, 1959

Employe on special errand covered.

The respondent operates a filling station on Atwood Avenue in Madison during the daytime, and also operates a 24 hour towing and wrecker service in connection therewith. Applicant or one of the other employes took the wrecker or tow truck home each night to answer service calls that were received. Applicant took the tow truck home with him on the evening of February 13, 1959, and parked it on the street adjacent to his home. About 1:00 a.m. on February 14, he received a telephone call from the sheriff's department to repair a flat tire on a police car. Applicant had been sleeping but he got up and prepared to answer the call. He slipped and fell as he was going down the steps from the porch of his home. It was not necessary to report to the filling station or office of the respondent and he regularly made these service calls directly from his home.

The commission held that the applicant was covered by the workmen's compensation act at the time of his injury; that he sustained injury while performing services growing out of and incidental to his employment; and that the accident causing injury arose out of his employment with the respondent.

HELGA SOLBERG, WIDOW (August Solberg, Deceased)

vs.

A. J. PITTELMAN AND FRANCES PITTELMAN

February 15, 1960

Estranged wife not eligible for death benefits.

Fatal injury June 19, 1959, was admitted. Applicant is the widow of the deceased. There has not been any legal separation but because of the deceased's drinking habits, abuse and his failure to support the family applicant had not lived with him since 1941. There were 7 children of this marriage, all of whom were married and not dependent upon deceased at the time of his death. The deceased never contributed to the support of the applicant or the children since the separation in 1941. Applicant had not seen the deceased for at least two years previous to his death. They did not correspond or have any contact or communications with each other.

It was concluded that the applicant and the deceased were not living together as man and wife and that there was an estrangement. The applicant was not allowed any death benefits as a dependent. The respondent and insurance carrier were ordered to pay burial allowance of $350 plus $11,000 to the state treasury pursuant to the provisions of 102.49 (5), as amended effective April 1, 1959.

(This case is pending in the Circuit Court of Dane County.)

MRS. ROSE BONDAR, MOTHER (Irene Bondar, Deceased)

vs.

CHAIN BELT COMPANY

February 16, 1960

Mother held totally dependent upon daughter.

Accidental injury March 5, 1953, resulting in death on April 8, 1958, and a maximum wage were admitted. Treatment was provided and compensation was paid for the disability during the lifetime of the deceased. The only issue was the extent of dependency of the applicant, the mother of the deceased. The respondent did not contest the claim but the State of Wisconsin did have a potential claim under 102.49 (5) in the event the applicant was not wholly dependent upon the deceased.

The applicant was a widow and did own a two-family home free of any incumbrances. She and the deceased lived in the lower portion which had a rental value of approximately $30 a month and the upper portion rented for $30 a month. The property had been purchased in 1929 for $9,000, but there was no evidence introduced as to its value in 1953. The real estate taxes were $342.00 a year. The repairs and taxes paid in 1953 exceeded the total rental value of the premises. The applicant had no income of her own besides this rent from the upstairs portion, which was not sufficient to maintain the premises. The commission concluded that the applicant therefore did not actually provide lodging for herself or the deceased and that she was totally dependent upon the deceased for support.

STATE OF WISCONSIN AND

FOX RIVER PAPER CORPORATION

vs.

JOHN A. SLATTERY

ESTATE OF MARGARET SLATTERY (John Slattery, Deceased)

March 31, 1960

Handicapped adult son held partial dependent.

Maximum wage and accidental compensable injury on December 2, 1950, resulting in death on September 28, 1957, were admitted. Compensation was paid in the sum of $11,571.53, leaving $16.27 due to the estate of the deceased. Burial allowance of $300 was paid.

The issues were the extent of dependency and liability for death benefit. The applicant was a son of the deceased, having been born on May 28, 1930. He sustained a brain injury in 1945, which affected him mentally and caused epileptic seizures. He was 20 years of age when his father was injured on December 2, 1950, and he did work earning wages as follows: in 1950, $848; in 1951, $1,611; in 1952, $2,438; in 1953, $2,412; and in 1954, $1,553. Deceased was a paraplegic due to his injury. Applicant's condition became worse after 1954, and he attempted suicide in February, 1957, after which he was confined in Mendota State Hospital. He was conditionally reafter by his sister following his father's death September 28, 1957. In 1958 he was re-committed at his own request.

leased to his father, the deceased, on May 7, 1957, and was looked

The commission found that the applicant was not incapacitated from earning at the time of his father's injury and as of such date he was not solely and wholly dependent for support upon the deceased, although he did live with the deceased and was partially dependent upon him. The deceased's wife, Margaret, died in 1952, and therefore was not a dependent under the provisions of 102.51. The commission determined that the applicant was a partial dependent under the provisions of 102.48 (2) and was entitled to death benefit equal to twice the average annual earnings of the deceased, or $4,650, and that pursuant to the provisions of 102.49 (5) the sum of $2,500 was due to the State of Wisconsin.

HELEN D. TANNER, WIDOW (Willis Tanner, Deceased)

vs.

CHARLES E. RUNIONS CONSTRUCTION COMPANY

March 23, 1960

Death four days after surgery on knee due to shock and emotional distress.

The deceased, who was born August 30, 1916, sustained injury to his right knee June 11, 1958. He worked on June 12 but limped and evidenced considerable pain when he saw the doctor on June 13. He was hospitalized on June 16 and had surgery on June 17 for removal of a medial meniscus which had been torn. He continued to complain of severe pain, he developed abdominal discomfort and became very constipated, and he died of a myocardial infarction on June 21. There was some hearsay evidence that deceased had fainting spells about a week previous to the injury. Autopsy was done and the findings were: (1) myocardial infarction, (2) pulmonary congestion, (3) congestion of the liver, spleen, kidneys, (4) recent minisectomy — right, (5) coronary atherosclerosis, (6) peritoneal adhesions. There was testimony that death was due to shock and emotional distress resulting from the injury and treatment thereof. The commission so held and awarded death benefits to the widow.

TOWN OF WOODVILLE

vs.

MRS. HATTIE STOMMEL, WIDOW (Roland J. Stommel, Deceased)

April 5, 1960

Repairing own car in employer's garage not in course of employment.

Maximum wage and fatal injury on November 24, 1956, were admitted. The principal issues were whether injury and death occurred in the course of and arose out of employment. The deceased was employed by the respondent to do road work. He owned a Model A Ford truck, which he sometimes used in the course of his employment, and he received reimbursement from the respondent for mileage on some of these occasions. Deceased was not required to own or to use the truck to perform his work and use of the truck was discretionary with him. The respondent did not pay for any parts, repairs or gasoline used in the truck. It did not pay wages for the time deceased spent in repairing the truck.

The deceased sustained fatal injury on Saturday afternoon while

repairing a spring on the Ford truck in the respondent's garage, which was heated. The commission concluded that he was not performing services in the course of his employment and that his injury did not arise out of his employment.

The commission was of the opinion that this case was to be distinguished from the Columbia Highway Commission and the Fels cases.

In the Columbia Highway Commission case, 201 Wis. 301, the employer supplied gas and oil, paid for minor repairs on the cars and increased the compensation of the foreman in consideration of the fact that he used his own automobile in performing his work. Repairs were made on the employer's premises during usual working hours.

In the Fels case, 269 Wis. 294, it was a condition of the employment that Fels furnish his own truck to haul gravel. He was responsible for repairs and furnished gas and oil. He was paid a set amount per yard for the gravel hauled, and this covered the use of the truck and his wage. Injury occurred while Fels was working on his truck during working hours at a garage stall, which was leased by his employer and was therefore in effect the premises of the employer. Repairing the truck was a necessary incident to Fels' employment and the truck was customarily left in the respondent's gravel pit at the close of the day's work.

(This case was confirmed by the Circuit Court of Dane County on April 15, 1960.)

CHICKEN DELIGHT #4

vs.

DENNIS SOBCZAK

June 9, 1960

Employe not in course of employment while going for ice cream.

Applicant was employed to deliver lunches and meals to customers who telephone in their orders. He used the employer's truck or automobile for that purpose. The employer allowed his employes to eat any of the food prepared on the premises, and he did allow them to go to a nearby establishment for hamburgers. On September 30, 1959, the applicant's shift at work was 4:00 p.m. until midnight. At about 8:00 p.m. he requested and was given permission by the employer to go out for something to eat. He took employer's car and drove approximately one mile to get some ice cream and he was injured in an automobile accident on his return.

The commission held that a trip of a mile to obtain ice cream was not reasonably necessary for the personal comfort of the employe in this instance, and that the injury did not arise out of his employment. The respondent provided food for the applicant on its premises and had permitted him to go to a nearby establishment for hamburgers. The employe had not requested permission to use the automobile.

(This case is pending in the Circuit Court of Dane County.)

KEWAUNEE COOPERATIVE

vs.

WILLIAM S. OTRADOVECK, JR.

June 27, 1960

Service held to be volunteer.

The applicant owned and operated a farm and on January 29, 1959, he arranged for the respondent to transport two of his hogs from the farm to the livestock yards. He requested and was granted permission by the respondent's truck driver to ride along in the truck to observe the livestock auction procedure. While he was observing the procedure at the stockyard the truck driver asked him to untie a bull which was still in the respondent's truck. After applicant had performed this service he caught his wedding ring on a portion of the respondent's truck and injured the ring finger so severely that it had to be amputated.

The commission concluded that the applicant was not an employe of the respondent; that there was no contract of hire, express or implied. There was no danger or emergency and the truck driver usually unloaded the animals without assistance. There were employes of the stockyard available to help if assistance was necessary.

JOHN BACIGALUPE

vs.

STUDENT TRANSPORTATION COMPANY, INC.

June 28, 1960

Injury from dog bite compensable.

Applicant, who was 60 years of age, drove a school bus for about 12 years. On October 16, 1959, he drove 40 school children to a dairy farm in accordance with instructions given to him. He remained near his bus in the farm yard while the children toured the premises. The farmer's dog came near him several times and he spoke to the dog but did not touch it or molest it. After the children completed their tour they and the applicant were each given a small carton of milk to drink. The farmer's dog came near to the applicant, who offered it some milk from his carton. The dog did not drink any milk and stepped back a few paces. The applicant raised his arm backward to throw the carton away and the dog leaped at him, biting the hand.

The commission affirmed the examiner's order holding that injury did occur in the course of and arose out of the employment. It was found that the applicant had not deviated from his employment for any private purposes.

(This case is pending in the Circuit Court of Dane County.)

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Gary F. Vie

INDUSTRIAL COMMISSION

OF

WISCONSIN

BIENNIAL REPORT
1958–1960

M. F. SCHIMENZ, Chairman

R. G. KNUTSON
Commissioner

J. H. ROUSE
Commissioner

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WISCONSIN

BIENNIAL REPORT
1958–1960

M. F. SCHIMENZ, Chairman

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Commissioner

J. H. ROUSE
Commissioner

To the Governor and members of the Legislature of the State of Wisconsin:

The Industrial Commission herewith respectfully submits a report of its activities for the biennial period ended June 30, 1960.

INDUSTRIAL COMMISSION OF WISCONSIN,

By M. F. SCHIMENZ,
Chairman,

R. G. KNUTSON,
Comissioner,

J. H. ROUSE,
Commissioner,

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APPRENTICESHIP DIVISION

Traditionally Wisconsin has been the recognized leader in the apprenticeship field. Ours was the first state to recognize the need for a formal, well regulated system of apprenticeship training;—a system with a two-fold purpose:

1. To provide Wisconsin youth with additional educational opportunities.
2. To benefit industry by maintaining a steady flow of skilled men into our state's work force.

To accomplish these purposes the nation's first modern apprenticeship law was enacted in 1911. (Chapter 106 of Wisconsin Statutes). Since that time twenty-two states and the federal government have adopted apprenticeship laws patterned after ours.

During the past biennium our position as a leader in the field of apprenticeship has been seriously threatened. The peak load of 13,874 apprentices (occasioned primarily by training under the GI Bill for World War II veterans) in 1947 dropped to less than 6000 in 1960.

To meet this challenge the apprenticeship division has taken on a "new look". Operations have been streamlined with the emphasis on promotion of apprenticeship. Obsolete records have been disposed of in accordance with statutes. The filing system has been revamped and indentures recoded. Records will soon be under machine tabulation available through our statistical division. Deadwood in the record of number of active apprentices has been eliminated by removing suspended indentures from the active record. This move accounted for the sharp drop in the number of active indentures, however, we now have an honest record and are already showing an increase in active apprentices.

We are in a period of exploding population. The demand for highly skilled craftsmen and technicians is greater than ever before. Each year some 35,000 highschool graduates who will not go on to college will need to further their education. To assure a steady supply of craftsmen entering our work force and to assure additional educational opportunities for our youth, our apprenticeship program must be expanded. Since our law is a voluntary one (except for barbers, plumbers, watchmakers and cosmetologists) the only method by which the apprenticeship program can be expanded is through a well conceived and properly executed promotional program. The successful operation of such a plan depends on qualified personnel working in close harmony with other agencies interested in, and dependent on, a sound apprenticeship program.

Cooperative agreements designed to implement promotion of apprenticeship have been developed with the State Board of Vocational and Adult Education, the Bureau of Apprenticeship and Training, U.S. Department of Labor, and the Wisconsin State Employment

Service. The field staff is now devoting fifty percent of their efforts to planned promotional visits. A series of area apprenticeship conferences are being conducted in cities strategically located throughout the state. The purpose of these meetings is to bring apprenticeship into the public eye, to promote the program to employers not already employing apprentices and to keep labor, management and the schools aware of the latest developments in the apprenticeship field. To date these conferences have been well attended and well received.

The most important function of this division involves approval of individual apprenticeship agreements called indentures. In June, 1960, we approved indenture number 61,000. The basic workload of the division involves processing indentures. During 1958–1960 biennium the following transactions were accomplished:

Indentures Approved	2,962
Indentures Completed	2,684
Indentures Suspended	721
Indentures Cancelled	1,474
Indentures Reinstated	365
Diplomas Issued	2,876
Total Transactions	11,082

Division functions other than promotion and processing indentures are:

1. Supervision of apprentices and establishments employing apprentices.
2. Developing, approving and amending apprenticeship standards and schedules of training.
3. Approval of veterans on-the-job and apprenticeship training.
4. Cooperation with state headquarters of selective service and local draft boards in apprentice deferment program.
5. Cooperate with federal wage and hour agency and employers concerning employment of apprentices at less than federal minimum wage.
6. Prepare and issue information as may be useful to employers, schools, joint apprenticeship committees, prospective apprentices, local unions and others.
7. Issue monthly statistical report and news letter.

EMPLOYMENT SERVICE

PREFACE AND RETROSPECT

Early this year,—on the threshold of a new decade,—the U.S. Department of Labor prepared a comprehensive and projected study of the nation's manpower resources. Called "Manpower—Challenge of the 1960's,"—the booklet describes the changes in our population and labor force that are expected to take place between 1960 and 1970.

The projections are based on three assumptions:

1. Continuation of the relatively high levels of economic activity and employment which have prevailed in the United States for the past 15 years.
2. Continuation of scientific and technological advance, affecting our industrial methods of production, our medical, health, and educational services, and our consumption patterns.
3. Absence of war or any other cataclysmic event which would substantially alter the rate of our economic growth.

What's in store for Wisconsin in what might well be the 'surprising sixties'? Using the Department of Labor study as a pattern, the Wisconsin State Employment Service came up with these projections:

* the state's labor force can be expected to increase by almost 300,000 between 1960 and 1970.
* an estimated 157,000 people under age 25 will be part of this new decade labor force.
* about 109,000 additional men and women over age 45 will be in this labor force.
* only about 40,000 of the new workers will be in the age group 25 to 34.
* workers between the ages 34 to 44 will decline by 7,000.

That's the picture. Wisconsin industry will need to use more workers under age 25 and over 45. There'll be a major overhaul in the employment policies of many businesses. The sixties will bring a 'golden age' for college educated and skilled trained workers, a continued shrinking of job opportunities for the unskilled worker and an extended decline among farmers and farm workers because of mechanization.

It is against this background that the Wisconsin State Employment Service reports its activities for the 1958–1960 biennium and outlines its plans for what may prove to be the most revolutionary period of the state's industrial history.

The Wisconsin State Employment Service pledges to assist the employers and job seekers of our state to meet the "MANPOWER CHALLENGE of the 1960's".

CIVILIAN LABOR FORCE—1958–1960 BIENNIUM

(Yearly Averages)
(In Thousands)

Item	Fiscal Year		Change From Fiscal 1958–1960	
	1958–59	1959–60	Net	Per Cent
Civilian Labor Force	1,563.1	1,587.0	23.9	1.5
Unemployment	69.3	49.0	—19.7	2.8
Employment	1,488.9	1,536.5	47.6	3.2
Nonfarm Workers	1,269.2	1,326.2	57.0	4.5
Farm Workers	219.6	210.3	— 9.3	4.2
Persons Involved in Labor–Management Disputes	4.9	1.5	— 3.4	69.4

SCOPE OF PROGRAM

As a division of the Industrial Commission, WSES is primarly known for its placement service to the thousands of job seekers and employers who use it annually. The service is available to the public through a network of 26 district offices located in population and industrial centers. Outlying communities are not neglected. The same modern screening, counseling and placement techniques available at the district offices are brought to workers and employers in outlying cities through a WSES itinerant program on a part-time basis.

District WSES offices are conveniently located in the business sections of these Wisconsin cities:

Appleton	La Crosse	Rhinelander
Ashland	Lancaster	Sheboygan
Beaver Dam	Madison	Stevens Point
Beloit	Manitowoc	Superior
Eau Claire	Marinette	Watertown
Fond du Lac	Milwaukee	Waukesha
Green Bay	Neenah	Wausau
Janesville	Oshkosh	Wisconsin Rapids
Kenosha	Racine	

Trained employment specialists, rigidly selected under Wisconsin Civil Service through the Bureau of Personnel, staff the WSES program of public service at every level. Currently, about 340 people are on the WSES payroll. Administrative costs are borne by the Federal Government, financed by a payroll tax on Wisconsin employers who employ four or more workers.

Employment adjustments, though mainly a problem of individuals, vitally concern the community, the state, and the nation. Usually, such problems can be and are solved locally. However, as industrial plants are moved, reduced, or expanded, as seasonal businesses rise and fall

and as economic fluctuations occur, communities sometimes have too small, or too large a labor supply. Then help from other communities is needed. This assistance is available to all communities in Wisconsin if all job openings are placed with WSES. Having these openings available enhances the opportunity to reduce the period of unemployment. If WSES can reduce total unemployment by just one week, it would mean a saving of $726,600 to employers' unemployment compensation trust funds and workers' purchasing power would be increased by $1,500,000. These figures are based on weekly average number unemployed drawing unemployment compensation benefits for fiscal year ending June 30, 1960. The purchasing power figure is based on the take-home pay of a married man with 2 children.

FEDERAL AFFILIATION

Although an arm of state government, WSES is affiliated with sister states through the Department of Labor's U.S. Employment Service in providing a nationwide exchange of resources. WSES operates in accordance with provisions of the Federal Wagner-Peyser Act of 1933 as amended, the Serviceman's Readjustment Act of 1944, and the Employment Act of 1946. It is through this affiliation that WSES activities and processes are standardized and synchronized with approximately 1,800 community employment offices throughout the nation. This means a uniform employment service, geared to meet labor market changes and emergencies on interstate, as well as intrastate levels.

The objectives of this affiliation are embodied in an aggressive, SIX POINT PROGRAM:

1. **Placement Service**—The WSES placement service includes the recruitment, selection and referral of qualified workers to employers, and assistance to workers in finding prompt employment or re-employment.
2. **Veterans Service**—Special service provides veterans of two World Wars and the Korean conflict with the maximum of job opportunity through the use of employment service staff and facilities in supplying counseling and placement assistance.
3. **Employment Counseling**—Assists job applicants, often with the aid of occupational tests, to determine the most suitable field in which to seek employment. Counseling services are frequently sought by inexperienced youth, veterans, handicapped and older workers as well as experienced workers who have been unable to make suitable adjustment to their jobs.
4. **Employer Services**—Provides assistance to employers, labor groups, and other organizations in analyzing employment problems involving effective use of skills and ability of workers and to apply techniques and materials developed by the Employment Service that are useful in resolving such problems.

5. **Labor Market Information**—Assembled by WSES and widely circulated to serve as a basis for informed action on the part of workers, employers, labor groups, agencies and community groups concerned with employment.
6. **Community Participation**—Is a daily part of the activities of WSES. The district employment office contributes to the economic health of the community by efforts toward maximum employment. It offers important information to the community on local matters affecting employment. It collaborates with community organizations and institutions to solve employment and community problems and to stimulate industrial growth.

JOBS FILLED

Employers used WSES to fill 353,319 jobs during the biennium. Of this number, more than one-fourth of the placements were in manufacturing. The following table shows a comparison of Fiscal Years 1959 and 1960 placements.

Industry Group	Fiscal 1959		Fiscal 1960	
	Number	Per Cent Distribution	Number	Per Cent Distribution
Total	173,823	100.0	179,496	100.0
Agriculture	64,694	37.2	62,885	35.0
Construction	3,236	1.9	3,454	1.9
Manufacturing	57,088	32.9	58,630	32.7
Public Utilities	2,967	1.7	3,025	1.7
Trade—Retail and Wholesale	15,969	9.2	17,513	9.8
Finance, Insurance and Real Estate	2,172	1.2	2,479	1.4
Service	18,140	10.4	19,956	11.1
Government	9,244	5.3	11,354	6.3
All Other (1)	313	0.2	200	0.1

(1) Includes forestry and fishing; mining; and industry not specified.

OPERATIONAL DIVISIONS

TEACHERS' PLACEMENT DIVISION

The WSES has maintained a Teachers' Placement Division since 1934. This Division was established on the premise that since Wisconsin provides extensive educational opportunities for young people who select the teaching profession, the state should provide a public agency to assist them in finding job opportunities in their chosen field.

The chief objectives of the Teachers' Placement Division are: (1) to assist school administrators to obtain qualified teachers, and (2) to aid prospective and successful teachers to enter and advance in their profession.

The nature of the teaching profession demands special registration and referral procedures and placement techniques. Regardless of the teacher's professional skill, other factors often decide the teacher's employability. People in few other occupations are subject to such careful scrutiny as the teacher. Public schools are one of the largest employers in the state; school administrators have recognized the WSES Teachers' Placement Division as their best source of qualified instructors.

The WSES Teachers' Placement Division maintains the largest repository of teachers' credentials in the state. More than a third of this group re-enroll each year and are considered available for positions which represent advancement for them. The division places about half of the teachers hired by the elementary and high schools in Wisconsin each year and because there is no charge either to the teacher or the hiring official, substantial fees are saved the profession by the division.

There is a continuing shortage of teachers and the profession can no longer be classified collectively, as a poorly paid occupation. Many qualified graduates entering the field for the first time are receiving from $4,200 to $4,500, particularly women, for a nine month contract. The salary range compares favorably with that paid as an entrance wage by industry in other professional fields.

The hiring of teachers starts early in January and increases and continues at a high rate to the start of the new school term the following September. Throughout this period the division maintains office hours each day of the week, including Saturdays. It is the aim and practice of the division to maintain liaison with colleges and universities, and state and federal agencies, in order to be fully appraised of teaching trends and opportunities.

During the biennium, 3,314 teaching positions were filled by WSES, a gain of more than 155, or 4.9 per cent over the preceding biennium.

School administrators have learned from experience that they can accomplish more and obtain better results with their hiring problems when they call personally at the division office. Teachers are also encouraged to make personal visits to the division. Many contacts and appointments are made and often contracts for new positions are signed in the office.

Although no positive effort has been made to obtain out-of-state teaching job openings, several schools in Northern Illinois and the Upper Peninsula of Michigan do list openings with the division. The WSES has helped hundreds of teachers find employment in other states when they express interest in such openings.

PROFESSIONAL PLACEMENT DIVISION

This division was established in 1955 to assist employers in meeting their needs for professional personnel and to provide a referral service to job seekers trained in professional fields. The division's phenomenal

growth in early years has leveled off to a continued and steady increase in applicant service and employer acceptance. This comparatively youthful and novel service is now identified as a vital and productive unit of WSES.

The division is based in the Madison administrative office of WSES. It coordinates the program through the 26 district WSES offices and maintains a central file of applications and employer orders. Part of its function is the preparation of an employment record brochure for each qualified applicant. This brochure is used to present the applicant's qualifications to interested employers. The division works closely with universities and colleges as well as professional organizations and societies in recruiting professionally trained workers. New placement techniques and procedures are constantly under study and development. During the past biennium research on a better application form for recent college graduates was completed and a new aplication introduced. Training aids to assist professional placement interviewers were developed as a part of the constant progress in this area of WSES activities.

Each month, the division processes an average of 220 applications and district offices fill over 200 professional and managerial openings. Over 51,000 personalized employment record brochures were submitted to employers during this biennium. The current active file consists of about 700 highly qualifed applicants.

Manpower studies based on past trends and growth predict a 40 per cent increase in professional and technical occupational job opportunities during the next decade. WSES, through the Professional Placement Division, is prepared to assume its place in meeting the rapidly expanding demands for professional, technical and managerial personnel.

RURAL INDUSTRIES DIVISION

It is the responsibility of the WSES Rural Industries Division to recruit and allocate a sufficient number of agricultural workers to meet manpower needs of agricultural and food processing employers.

This is a complex problem, particularly in Wisconsin, where a multiplicity of crops creates a demand for thousands of workers during peak harvest periods. Coupled with these peak period demands is the ever-present demand for year-round farm hands. The number of farms in Wisconsin is decreasing, but the size of the farms is increasing. Farming is becoming highly mechanized, thereby making it increasingly difficult to find qualified workers.

To meet the needs of employers and workers, WSES has assigned a trained farm placement specialist to each of its 26 district offices. In addition, seasonal offices are operated at Wautoma for the pickle and vegetable crops and at Sturgeon Bay for the cherry harvest.

Service to agricultural and food processing employers has been continued through an annual worker plan, designed to schedule migrant workers to a succession of jobs in order to provide the workers with

maximum employment while in Wisconsin. The day-haul programs, which used large numbers of youth in the past, are being materially reduced through the use of mechanical devices in harvesting crops. School youth are still being used in some areas which assures employers of an adequate supply of labor to weed and harvest their crops and enables school youth to gain work experience.

Placements in agriculture and food processing for the period July 1, 1958, to June 30, 1959, totalled 82,477, compared with 81,258 for the period July 1, 1959, to June 30, 1960. This resulted in a net decline of 1,219, or 1.05 per cent. This was due to an expanded use of weed controls and further mechanization in the harvesting and processing of crops.

Considerable pre-season planning is required to collect information on the need for seasonal workers to meet the demands of Wisconsin's agriculture. Each year an estimated 12,000 out-of-state seasonal workers are needed. In addition, WSES has the responsibility for certifying the need for foreign workers. At no time during the 1958–1960 biennium were there more than 1,573 foreign workers employed in Wisconsin. Foreign workers are employed only in agriculture and then only when there are not sufficient domestic workers who are willing and able to do the work. In the certification and employment of foreign workers, WSES cooperates with the United States Department of Labor and the Immigration and Naturalization Service.

The adequacy of the housing provided by an employer of six or more migratory workers is under the jurisdiction of the State Board of Health. Each year an employer who plans to house migrants must register his housing with the Board. The Board of Health inspects the housing and either certifies the housing or recommends improvements. Through the cooperation between the State Board of Health and the WSES, any housing that is inadequate, brings a denial of service by the WSES in the clearance of an order for out-of-state workers. This denial of service is in conformity with standards issued by the Secretary of Labor. Housing for foreign labor must meet these standards, as well as those established by the State Board of Health.

The WSES cooperates with the Governor's Committee on Migrant Workers in creating a better climate of understanding between employers, communities and migrant workers.

Two reports prepared annually are available. They are the Wisconsin Post Season Farm Labor Report and the Report on the Operation of the Annual Worker Plan.

CLEARANCE SECTION

When the nationwide system of public employment offices was established in 1933 by passage of the Wagner-Peyser Act, procedures implementing the Act specifically provided that the United States Employment Service "shall assist in maintaining a system for clearing labor between the several states". Clearance can be described as an orderly and uniform system of exchanging information on job opening

characteristics and applicant qualifications, between public employment service offices on an area, state, regional, or nationwide basis.

The WSES clearance function gives workers an opportunity to locate jobs in their particular skills anywhere in the state or nation, or in a foreign country, if employment is not available in their own community. It also enables employers to find the kind of workers they need anywhere in the state or nation, if they cannot be found locally. The clearance section cooperates in the recruitment activities of the professional, executive and technical division, the farm placement division, the resort program and Bureau of Personnel's civil service system.

In filling clearance openings the WSES publishes a bi-weekly Inventory of Job Openings which lists the jobs for which suitable applicants cannot be found in the locality served by the district employment service office. It is distributed to employment offices in other states, as well as to district WSES offices.

The clearance section also arranges positive recruitment schedules (face-to-face interviews) for Wisconsin and out-of-state employers who wish to recruit within the state and for Wisconsin employers seeking workers in nearby or distant states, sometimes as far away as the East Coast. Over 28,300 clearance placements were made in the biennium ending June 30, 1960 compared with 26,900 in the previous two-year period.

RESORT AND SUMMER CAMP SECTION

Staffing the numerous resorts and more than 300 youth camps in Wisconsin is of utmost importance in a state which attracts tourists, sportsmen and campers by the thousands. Through a highly organized program which extends from January to June, WSES publicizes job openings and recruits applicants. Jobs in the state's summer resort-camp industry are performed during a recreation season which runs from June to the end of the deer season in November.

In an effort to better service boys and girls camps, placement activities for the past season were centralized in the Rhinelander district office of the WSES. Through close cooperation with the Wisconsin section of the American Camping Association this resulted in an increase of more than 40 placements over the previous season. Placements of high school and college youth, school teachers and other workers in resort and camp activities increased from 2,143 in the 1956–1957 biennium, to 2,436 in the 1958–1959 period.

SPECIAL PROJECTS

OCCUPATIONAL RESEARCH CENTER

This project is involved in obtaining accurate and current information on jobs to be incorporated in a new edition of the Dictionary of Occupational Titles. This dictionary, published by the United States Department of Labor, classifies and defines jobs. To collect this information, visits are made to plants of co-operating employers, where workers are observed in the performance of the job under study. The job is then written up in the form of a definition and classified according to a new coding structure developed by the United States Employment Service.

During the biennium, work was completed in the following industries: sheet metal, canvas products, flags and banners, and liquor. Industries currently under study include electrical controls, motorcycle and bicycle, non-alcoholic beverage, flavoring, extracts and sirups, engine and turbine, dairy products, printing and publishing, and bakery products.

SPECIAL SERVICES

EMPLOYMENT COUNSELING AND SERVICES TO SPECIAL APPLICANT GROUPS

During the period covered by this report the importance of fully utilizing the skills and potentials of the nation's work force has become increasingly evident and has brought into focus the great need for vocational counseling assistance to job applicants at WSES offices. Inexperienced youth must be provided with realistic occupational and labor market information related to their potential abilities. If the skills and abilities of older job seekers are not to be wasted, they must be assisted in their efforts to contribute their talents in the work force. Handicapped workers need help in relating their physical capacities to job opportunities. The veteran entering civilian employment often encounters problems similar to those of inexperienced youth. These and other groups with problems of job choice or job adjustment receive employment counseling services. During the past biennium, 35,701 persons were provided such services by WSES.

SERVICES TO YOUTH

The current emphasis on the identification of talent in our youth group and the need to utilize their highest abilities has made it imperative for WSES to give special emphasis to its program of services to youth. Since the majority of youth enter the labor market immediately after graduation from high school, the WSES provides employment counseling, testing and work registration services to them

at the school during their senior year. These services supplement and are coordinated with the school's guidance program. The young job seeker is given the opportunity to discuss his interests, aptitudes, school accomplishment and other factors influencing his choice of careers. Current occupational and labor market information is also made available to him by the employment counselor to assist him in reaching a realistic job choice. Several months prior to graduation, the WSES begins an intensive effort to locate suitable job opportunities for these young graduates. Frequently arrangements are made for youth to be interviewed by prospective employers prior to graduation and they are often hired before the close of school. The WSES provided services to 40,397 high school graduates of the classes of 1958 and 1959. More than half of these were assisted in making a career choice. Over 10,000 were placed in permanent jobs by the WSES. Additional thousands of students were placed in summer employment.

SERVICES TO THE HANDICAPPED

To insure that handicapped job applicants are provided with equal employment opportunities in competition with other similarly qualified applicants, WSES offers counseling and other specialized services to this segment of the work force in each of the 26 district offices. Specialized services include job development, selective placement, pre-employment interview preparation for the applicant and employer, job modification, follow-up, and referral to other agencies. Close liaison is maintained with the Vocational Rehabilitation agencies, the Veterans Administration, The Governor's Committee and local committees on Employment of the Handicapped and other public and private organizations concerned with serving disabled persons.

During the biennium ended June 1960, 4,658 disabled job seekers were provided with counseling services and 8,515 jobs were secured for handicapped workers through WSES.

SERVICES TO OLDER WORKERS

Persons in the 45 and over age group constitute an increasing portion of our work force, as evidenced by the fact that approximately 60,000 of them sought jobs through the WSES during the past biennium. As a person reaches middle age he begins to encounter difficulty in obtaining a suitable job, as shown by surveys which indicate that a worker over 45 has only half as much chance of locating a job as a worker in the younger age group. After 65 his chances are very much less.

The WSES provides specialists in each district office to assist older workers in their search for employment. These services range from helping them present their qualifications to employers in an effective manner, to assisting them, through counseling, to select new job objectives which offer greater opportunity for employment. Counseling services were provided to 2,461 job applicants, 45 and over, during the past biennium, and 40,745 placements of this group were made by the WSES during this period.

EMPLOYER SERVICES

Each day, Wisconsin employers face the problems of recruiting and selecting workers, of labor turnover, absenteeism, or other staffing problems in plant and office. These are problems which affect production, employment levels and the economic stability of a community. One of the duties of each WSES office is to recognize these problems and be prepared to assist employers to overcome them. In doing so, WSES utilizes a wide range of modern personnel tools and methods.

Over 67,500 employer contacts were made during the biennium by district WSES offices to assist in solving employment problems, explain services available and to obtain employment information.

During the period a "Sales Kit" in the form of visual aids was developed and introduced to facilitate explanation of WSES operations to employers.

Accurate and detailed job information helps employers to fully utilize workers' abilities, to define the boundaries of a job and to select suitable applicants for the job. Such information is obtained through job analysis and recorded in the form of a job specification. During the biennium, 216 job specifications were prepared to assist employers. Major coverage occurred in the manufacturing and dairying industries.

Training in the principles and use of job analysis was given in nine one-day Job Analysis Institutes in six different communities. Sixty-two participants,—including employment and plant managers, safety and personnel directors and industrial and labor relations people representing forty employers, received this training. These Institutes accomplish a two-fold objective: they help the participants in the performance of their own jobs, and they foster co-operation with WSES, especially in the placing of job orders.

To achieve the most productive utilization of manpower, information must be obtained about workers as well as jobs. One of the basic tools used to obtain worker information is the General Aptitude Test Battery. This consists of a battery of tests designed to measure nine aptitudes basic to successful performance in a large number of jobs. Aptitudes indicate a person's potentiality to learn something quickly and thoroughly. Aptitude measurements have a proven relationship to job success. This makes them useful in the selection and counseling of workers. The GATB is used by the WSES in both of these activities.

Over 96,000 individuals were tested by district WSES offices for placement and job counseling during the biennium. This includes tests given to high school students about to enter the labor market, interest tests, proficiency tests for typing and shorthand ability and specific aptitude tests—all used to assist employers in selecting workers for specific jobs. Employer Services maintains a continuous test development activity. Tests are developed according to aptitudes required for a specific job. They are administered to job applicants to determine

whether they have the aptitudes required by the job. During the 1958-1960 period, nine test batteries were developed. There are five test batteries presently under development.

Almost 1,000 employers were served by the WSES through the use of tests. Employment Service developed tests were used in five communities in the state to completely staff new industrial plants during the biennium. This testing service has served all types of concerns, from small trade and service establishments, to very large manufacturers. Various state and federal government departments have also obtained test selected job applicants.

LABOR MARKET INFORMATION

A broader public interest in labor market information is reflected in the number of inquiries received by WSES for information concerning the labor force of the state, or specified area. How many persons are currently at work? How many are unemployed? How does Wisconsin rank in comparison with other states, or with the nation as a whole? What is the work experience of persons currently seeking jobs? In what occupations are workers in demand? What are the anticipated employment trends?

These are but a few of the questions WSES is expected to answer through its labor market information program.

Labor market information is disseminated through a series of releases prepared and distributed regularly to agencies, employers or individuals requesting them.

Regularly scheduled releases include *Labor Market Letters*—issued bimonthly for 18 principal areas in the state, *Labor Force Estimates*—issued monthly, and a *Weekly Labor Market Report*—issued to district WSES offices each Monday.

In addition, other reports are prepared on a recurring basis. Comprehensive labor market reports are prepared bimonthly, covering the four major areas in the state. They are written specifically to meet the needs of the Bureau of Employment Security in Washington. Data included are used by various other government agencies in planning and programming their operations. These reports are also used by our National office as a means of assigning area classifications, and in determining areas of substantial labor surplus.

The WSES also participates in a national labor market analysis program, covering specified industries in the state. During the biennium, approximately 100 establishments in various industry groups have been surveyed. The results of these surveys are included in special releases prepared by the Bureau of Employment Security.

Previously prepared *Basic Statements* for Wisconsin cities, containing detailed information on the economic, cultural and recreational characteristics of the community and its trade area, have been updated and re-released as significant changes in the narrative have become necessary.

A number of special studies covering selected wage rate data turnover, and employment were made to meet special requests.

SPECIAL PROJECTS

There is a need for labor market information concerning specific problem areas in the labor force. Special research studies during the 1959-1960 biennium were designed to provide information concerning some of these problems. A variety of further studies are planned for the coming biennium.

1. **Area Skill Surveys**—Surveys of future manpower requirements and training resources were completed during the biennium. Reports of future skill needs were released covering Milwaukee, Brown, Manitowoc and Calumet counties. An inter-agency study of manpower requirements training resources, and educational needs for Marathon county is in process. These reports have been used as a guide in counseling and training to assist in developing needed skills.
2. **Estimating Agricultural Employment**—Analysis of the results of the survey of a sample of Wisconsin's agricultural employers during the 1957-1958 growing season resulted in improved techniques of estimating agricultural employment. A survey of a larger sample gathering greater employment detail was continued during the biennium. The results of this expanded survey will further improve agricultural employment estimates when the analysis is completed.
3. **La Crosse Reemployment Study**—A survey of Electric Auto-Lite Company employees laid off when the plant left La Crosse was made. The published report of this study contains an analysis of the problems encountered by these employees in seeking other employment. This study will prove invaluable to other communities facing similar unemployment situations.

EXPERIMENTAL RURAL AREA PROJECT

Special funds were provided early in 1959 by the Bureau of Employment Security to conduct a joint experimental rural area project in cooperation with the Department of Agriculture. The major objectives of the program were: (1) to develop methods for providing more effective basic employment services to rural low income areas, and (2) to assist in development of a program for the economic adjustment of the area.

Price county was chosen by WSES and the Agricultural Extension Service as the area in which to conduct the experiment. WSES established an office at Phillips the county seat, on July 20, 1959, with a staff consisting of the manager, two counselor-interviewers and a clerk.

To accomplish the objectives the Price county WSES office carried out the following functions:

1. Register and interview all job applicants interested in employment and assist them in locating suitable jobs.
2. Test and counsel all interested job applicants to measure occupational potential in specific fields of work.
3. Survey the employers of the county to determine current and anticipated employment requirements of existing business and industry.
4. Provide the full range of employment service facilities and service to the residents of the county.
5. Cooperate with other federal state and local agencies to assist in the economic development of the county.

By the end of March 1960, a total of 1,363 people had been registered, counseled, and classified. Of these applicants, 741 were tested with the General Aptitude Test Battery and Interest Check list. All of the county's 104 employers subject to unemployment compensation coverage were contacted by personal visit to obtain information on current and anticipated employment by occupation, age and sex.

The results of the applicant and employer surveys were incorporated in a "Manpower Resources" report. The Price county office staff interpreted the Manpower report to county and local leaders and worked with them in their economic self-improvement planning.

The project was terminated in December, 1960.

EMERGENCY MANPOWER SERVICE

CIVIL DEFENSE

The Emergency Manpower Service is a part of the Wisconsin State Civil Defense program. It is composed of three divisions of the Industrial Commission: the Wisconsin State Employment Service, Unemployment Compensation Department, and the Workmen's Compensation Division.

The responsibilities of the Emergency Manpower Services are: (1) the Wisconsin State Employment Service will determine the location of civilian manpower resources by key occupational categories after evacuation of target areas and recruit, distribute and utilize the available manpower to fill the requirements of Civil Defense Services, other government agencies and essential industries; (2) the Unemployment Compensation Department will administer the state's Unemployment Compensation Law and other federal programs which provide for unemployment benefit payments; (3) the Workmen's Compensation Division will administer the state's Workmen's Compensation Law and other federal programs which provide for the payment of compensation for injured workers.

After special Federal funds were made available on January 1, 1960, a WSES staff member was appointed as Civil Defense Co-ordi-

nator to develop and co-ordinate plans and programs involving manpower activities of the three divisions of the Industrial Commission in a mobilization period or a Civil Defense emergency. Operating procedures have been prepared and distributed to all WSES–UC district offices.

The Wisconsin State Employment Service participated in Operation Alert-1960, a three-day exercise to test operational readiness at the national, regional, state and local levels.

In co-operation with the Wisconsin Bureau of Civil Defense, the Wisconsin State Employment Service sponsored a state manpower meeting on June 21, 1960, in Madison. It was attended by selected county and city Civil Defense Directors, federal officials from agencies having substantial manpower responsibilities, their state counterparts and managers from 19 district Wisconsin State Employment Service offices. The meeting served to clarify the role of the Wisconsin State Employment Service as the manpower arm of the Bureau of Civil Defense and how the National Manpower Plan is to be handled at the various governmental levels.

VETERANS EMPLOYMENT ACTIVITIES

The Veterans Employment Service program is one of the few major veterans' benefits not administered by the Veterans Administration. There remain many people who are not aware of the fact that the Congress provided a job counseling and employment placement service for veterans. This service is provided in each of the district Wisconsin State Employment Service offices throughout the State.

There is a person designated in each of these offices whose primary responsibility is to see that veterans receive appropriate employment assistance. By special statutory authority a State Veterans Employment Representative—a Federal employee—is located with and attached to the WSES Administrative staff with the responsibility to see that adequate services are being rendered. It is through this individual that the veterans program is operated.

The approximate 500,000 veterans of all wars living in Wisconsin constitute a large segment of the population. During the biennial period July 1958 through June 1960, 69,141 veterans applied for work through WSES offices. Of this total, 4,612 were disabled veterans. For the same period, 3,347 veterans were counseled, of whom 1,340 were disabled. During the biennium, 43,065 veterans were placed in nonagricultural pursuits. Of this total, 3,312 were disabled.

All veterans, whether employes or employers, and veterans organizations, can support and utilize the district WSES office serving his area, since within this framework lies the employment service provided for veterans.

FAIR EMPLOYMENT PRACTICES DIVISION

Wisconsin's Fair Employment Practices Law (Sec. 111.31–38 Wis. Stats.) is administered by the Industrial Commission's Fair Employment Practices Division, which is headquartered in Room 3190, 634 North 2nd Street, Milwaukee.

DISCRIMINATION BECAUSE OF AGE

Wisconsin's FEP Law was amended during the 1959 session of the Legislature *to include discrimination because of age.* Therefore, it is now not only *unlawful to discriminate because of race, creed, color, national origin or ancestry, but it is now also unlawful to discriminate because of age.*

Section 111.32 (5) (b) Wisconsin Statutes now provides that:

"It Is Discrimination Because Of Age:

1. For an employer, labor organization, or person in the fields of housing, recreation, education, health and social welfare, or any licensing agency, because an individual is between the ages of 40 and 65 to refuse to hire, employ, admit or license, or to bar or to terminate from employment such individual, or to discriminate against such individual in promotion, compensation or in terms, conditions or privileges of employment.
2. For any employer, licensing agency or employment agency to print or circulate or cause to be printed or circulated any statement, advertisement or publication, or to use any form of application for employment or to make any inquiry in connection with prospective employment which applies or expresses any limitation, specification or discrimination respecting individuals between the ages of 40 and 65, or any intent to make such limitation, specification or discrimination."

While there are some specific circumstances, defined in the law (Sec. 111.32 (5) (c)), when the exercise of an age distinction is lawful, nevertheless, there are many instances in which it is unlawful. Therefore, it is being suggested, to those organizations to whom the statute is applicable, that any inquiries regarding an interpretation of Sec. 111.32 (5) (c) as it relates to a specific situation, be directed in writing to the FEP Division.

After the adoption of the age provisions, the Division received a complaint (Sec. 111.36—"Commission may receive and investigate complaints charging discrimination") to the effect that a large utility was requiring persons over the age of 40, as a consideration for employment, to waive their rights to (1) purchase and participate in the life insurance program; (2) the pension program; and (3) promotion and upgrading.

Upon investigation it was determined that the waiver program had been adopted approximately 10 years ago, and that the waiver as to promotion and upgrading does not appear to be based on age since such item has been sought from persons under the age of 40. However, in order to obviate any question in this connection, the company agreed to have its Legal Department rewrite said waiver to make it unmistakably clear that it is not relevant to age.

It was further determined that the waiver as to pension had been cancelled in August, 1956, at which time each person, who heretofore, had relinquished his rights to such program, was given an opportunity to participate.

("If the Commission finds cause to believe any discrimination is being committed, it shall immediately endeavor to eliminate the practice by conference." Sec. 111.36) It was further agreed that individuals who, after the effective date of the age provisions, *as well as those who before such date,* waived their right to purchase and participate in the Plan 9 Life Insurance Program, would now be given an opportunity to do so and thus such persons would automatically come under the other life insurance plan known as Plan 8. (Plan 8 is given to an employe at the end of one year *if* he then purchases and participates in Plan 9.) The company agreed to go along with the proposal that those waivers of Plan 9 which were effected *before* the effective date of the age provisions, also be rescinded. From a standpoint of the Division, it is a moot question as to whether an organization legally could be required to cancel waivers executed before the date of the age provisions.

The foregoing represents a brief resume of the results achieved in processing the first complaint under the age provisions.

NON-DISCRIMINATORY CONTRACTS

(Sec. 16.765, Wis. Stats.)

The 1959 Wisconsin Legislature also enacted a measure which requires all "*contracting agencies of the state*" to "include the following provision in every contract executed by them:

> In connection with the performance of work under this contract, the contractor agrees not to discriminate against any employe or applicant for employment because of race, religion, color or national origin. The aforesaid provision shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available for employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the nondiscrimination clause."

The new "Contracts Law" (Sec. 16.765) was turned over to the Industrial Commission's Fair Employment Practices Division for administration.

CONFERENCES

(Section 111.35 (4)—"Confer, cooperate with and furnish technical assistance to employers, labor unions, ... in formulating programs, educational and otherwise, for the elimination of discrimination.")

In May, 1960 the Division conferred collectively with the officials of respective cab companies in one of Wisconsin's urban areas.

No Negro drivers had ever been employed by any of the four companies, excepting one, which some time ago had hired a non-white person. This employe left after a brief period of employment.

At the time of conference, each organization agreed to grant opportunity to qualified Negro persons.

As a result of the conference, one company has now employed a colored person as a driver.

It is interesting to note that the cab companies in Milwaukee have been employing Negro drivers since 1946. Both men and women are employed. The Milwaukee cab company situation was one of the first major projects undertaken by the FEP Division. Several conferences were held with company officials in 1946 pursuant to assuring the hire of Negroes. Such assurances were then given and the program was initiated at that time.

COOPERATION WITH WISCONSIN STATE EMPLOYMENT SERVICE

The WSES local offices transmit to the Division pertinent information concerning discriminatory job orders.

During the biennial period the employment service reported 65 discriminatory situations to the Division.

Those organizations which lodged a discriminatory job order were then contacted by the Division. The discriminatory specification was rescinded in those instances where, at the time of the Division contact, the job order was still open.

In each situation the Division seeks to gain an assurance that no discriminatory job orders will be lodged in the future and that job opportunity will be made available to any qualified person regardless of color. All the reports from the employment service involve race.

The discriminatory orders have involved such jobs as the following: inventory clerk; tool and die trainee; billing clerk; clerk typist; kitchen helper; pan washer; stock boy; grill cook; waitress; porter, etc.

This program is evaluated semi-annually at which time the employment service and the division collaborate in setting up an appropriate report for the Industrial Commissioners. This report calls for the following statistics:

I. Employers placing job orders with discriminatory specifications;
II. Employers placing subsequent job orders with Employment Service;
   1. Discontinuing discriminatory specifications immediately;
   2. Continuing discriminatory specifications;
      A. Further FEP division contact;
      B. Employment Service continues contacts—No present problem;
III. Employers not placing subsequent job orders with employment Service;
IV. Probable reasons for no subsequent job orders;
   1. Labor market and economic situation—et al.

It is interesting to note that rarely does an organization again cite a discriminatory specification after the FEP division has conferred with it.

The employment service reported at the end of this biennium that:

> "During the first six months of 1960, *33* employers *previously reported* as placing discriminatory orders, placed additional orders without restrictive hiring specifications."

It is significant that, in most instances, the division's contact via an employment service report, represents an initial contact.

While the division has not had time to check on the contacts it has made via employment service reports, pursuant to determining how patterns of employment may have changed, the division is nevertheless knowledgeable that in at least several places Negroes have been employed for the first time.

For example, in November, 1958, the division was confronted by a Negro man who was employed as a receiving clerk for a dealer in auto accessories with multiple stores in Milwaukee. This young man had been employed by the respective organization several months after the division had contacted the employer because of a discriminatory job order. All subsequent orders from this company, lodged with the employment service, have contained no discriminatory specifications.

The one example cited above has been paralleled in several other places which have been brought to the division's attention. For instance, an advertising firm in Milwaukee which expressed a preference for only white persons now has a number of Negroes employed.

JOB APPLICANTS

Many Negro persons contact the FEP division for assistance in securing employment commensurate with their skills and abilities.

The authorization for this kind of service is couched within the framework of Section 111.31 (3):

> "In the interpretation and application of this subchapter, and otherwise, it is declared to be the public policy of the state to

encourage and foster . . . the employment of all properly qualified persons regardless of their age, race, creed, color, national origin or ancestry. All the provisions of this subchapter shall be liberally construed for the accomplishment of this purpose."

Each job applicant's educational and employment background is first checked, and if the circumstances warrant, it is then discussed with those organizations in which there is an appropriate vacancy. These represent personal contacts by the division. They are not handled by phone. An interview of the candidate is sought. As a result of this effort in behalf of job applicants, for example:

A legal stenographer was offered a stenographic job in a prominent downtown law office in Milwaukee;

A 1959 high school graduate was employed in the office of a food processing firm in Madison;

A machine lathe operator was offered employment in production in three industrial plants;

A woman was employed as an assistant bookkeeper within a retail organization;

A woman was hired in the office of a firm which manufactures clothing;

A man was assisted with the preliminary steps pursuant to licensing as a master plumber. He secured licensing and is employed by a large plumbing contractor in Milwaukee;

A woman was employed by a nursing home as a practical nurse;

A woman was hired as a power sewing trainee;

A man was employed as a professional pharmacist after the division conferred with the State Board of Pharmacy which discussed his availability with a large drug concern;

A full-time teacher was hired by a can company for the summer period.

These are just a few of the job situations which were negotiated by the division.

It should be noted that some of the companies ultimately contacted in behalf of a job candidate were initially sought out by the division because of a complaint situation.

Many Negro persons not interested in filing a complaint, nevertheless contact the division for purposes of securing its assistance in connection with a problem.

Several examples are the following:

Inez was employed for a number of years within an industrial organization. She had frequently applied for a change to a better job but had failed to achieve it. With her permission, the FEP division conferred with the company and on the basis of the information set forth she was immediately granted the desired change to inspector;

Ernest was re-employed by a packing house when the various bottlenecks to re-employment were eliminated by the division.

RELIGIOUS DISCRIMINATION

An insurance company office in Milwaukee agreed to grant time off for religious observance, not only, as is now customary, to those who are not Jewish, but also to those who are. In addition, this organization was willing to grant employment to a young lady who, having been hired, had then been quickly denied when she expressed her inability to work during the fall Holiday season.

The division found probable cause to credit a complaint that because of religious background Richard was denied a job as salesman with a large tire and rubber company which has its midwest regional office in Milwaukee.

Therefore, a conference was had with the district manager and the district credit manager pursuant to eliminating the discriminatory practice. (Sec. 111.36 (3))

All the division's recommendations were adopted.

The District Manager quickly disseminated a written statement of policy which the division helped promulgate, and he also held a special staff meeting in order to personally discuss policy and obviate any further departure from fair employment practices.

The District Manager responded spontaneously to the recommendation that Richard now be considered for employment and an appointment for interview was immediately scheduled.

Richard was interviewed and offered employment as a salesman.

HEARING

A young Negro woman, received a phone call from a small business organization in Milwaukee in response to her work-wanted advertisement appearing in the local press.

What transpired by phone appeared in order and she was asked to report the following morning.

Upon arrival, somewhat before the appointed hour, she was confronted by a man who immediately announced that the job was filled. He gave her no opportunity to identify herself or the reason for her presence.

After this experience she sought counsel with the FEP division and reluctantly explained that it was her opinion she had been turned away because of race. The division found cause to believe that discrimination had been practiced and it tried to work out an adjustment. The division failed to eliminate the discriminatory practice (Section 111.36 (3)) and a hearing was therefore scheduled. ("In case of failure so to eliminate the discrimination the Commission shall issue and serve a written notice of hearing".)

On the basis of hearing it was determined that the young woman had been denied opportunity because of race, and she was compensated for loss of earnings.

In view of the respondent's attitude and hostility to the principle of equal job opportunity, the woman was in accord with the FEP divi-

sion's advice that it would be better wisdom for a very young lady to be employed on her first job within a more favorable atmosphere. Therefore, the division negotiated with four business and industrial organizations in which there was a vacancy commensurate with the candidate's background and she was interviewed and had an offer of employment from all four. Hence, she was already secured on the date of hearing, and the division thus talked with her employer about her availability for hearing purposes in order to obviate any complications in her new situation. He was most willing to cooperate and released her for the hearing.

In addition to the money award the respondent agreed to cease and desist from discriminating in its employment practices in the future, and agreed to comply with the provisions of Wisconsin's Fair Employment Practices Law.

STATISTICS

A total of 146 cases were processed by the Division during the biennial period.

Note: A total of *70* cases were processed during the last biennium, July 1, 1956 thru June 30, 1958.

The disposition of cases is as follows:

Probable cause found to credit allegation; case adjusted	90
No probable cause found to credit allegation of specific petition, but other questionable or provocative practices or policies found and adjusted	13
No probable cause found—specific petition dismissed. No other discriminatory practices or policies found	33
Withdrawn	1
Pending	7
Hearing	2
Speeches (employer groups; church groups; high school class; civic groups)	15
College Classes—Marquette; University of Wisconsin, Milwaukee	8
Television—WTMJ-TV, Channel 4, Milwaukee	4
Meetings—National; Local; State	201
Business and Management Contacts	868
Labor Organization Contacts	10
General Contacts (schools, WSES branch offices; clergymen et al.)	88
Interviews with Job Applicants	97
Sessions had with individual complainants and private organizations (Ex: NAACP, Milw. Jewish Council) Re: complaints	145

As a result of staff expansion the Division is now capable of rendering better service to the major urban centers in Wisconsin.

A staff person is now in the following areas, on the designated day each month, for the sole purpose of conferring with individuals who have a discriminatory problem as defined in Section 111.32 (5) (a).

Beloit	Second Friday of the month
Kenosha	Third Thursday of the month
Madison	First Tuesday of the month
Racine	Second Wednesday of the month

Section 111.35 (1) (5) authorizes the Industrial Commission, in its administering of the Fair Employment Practices Law, to investigate discrimination in employment, housing, education, recreation, health and social welfare, in the State of Wisconsin, and to make specific recommendations to the interested parties as to the methods of eliminating it.

Section 111.35 (4) states that the Commission shall:

> "Confer, cooperate with and furnish technical assistance to employers, labor unions, educational institutions and other public or private agencies in formulating programs, educational and otherwise, for the elimination of discrimination."

During the next biennial period the FEP division plans to accelerate the development of more programs for eliminating discrimination.

INDUSTRIAL SAFETY AND BUILDINGS DIVISION

The division of industrial safety and buildings consists of eight sections each of which deals with special areas of engineering and architecture for the purpose of enhancing safety in industry and public buildings. The eight sections are (1) the boiler inspection; (2) the building section; (3) the electrical section; (4) the elevator inspection section; (5) the factory inspection section; (6) the fire prevention section; (7) the mine-quarry section, and (8) the industrial safety education section.

Each section of this division functions within the scope of one or more of the Wisconsin Administrative Codes. There are 23 such codes administered by the division. Each code is developed, reviewed, or revised by advisory committee action in conformity to statutory rule making procedures.

Some sections of this division, namely, the boiler inspection section, building section, and the elevator inspection section collect fees for providing certain services. The fees are deposited in the state general fund and are not re-appropriated to the Industrial Commission.

REVENUES

Sections 101.10 (12) and (13) of the statutes were repealed and recreated by the 1959 Legislature. An important result was that the fee schedule was eliminated from the statutes and placed in an administrative code. The commission proceeded accordingly and with the assistance of an advisory committee adopted a new Fee Schedule identified as Wisconsin Administrative Code, Chapter Ind 69.

The Fee Schedule became effective on January 1, 1960. Increased somewhat, the new schedule produced greater revenues than here-

tofore. The revenue produced during the biennium for indicated services is as follows:

Activity	*Fiscal Year* 1958–1959	1959–1960
Inspection of boilers, unfired pressure vessels, and refrigeration plants	$9,075.00	$12,087.00
Examination and approval of drawings for buildings, heating and ventilation systems, structures, industrial exhaust systems, building additions and alterations, and fire escapes	58,664.11	78,652.28
Examination and approval of drawings for elevators, escalators, and dumbwaiters	1,160.00	1,750.04
Inspection of elevators, escalators, and dumbwaiters	3,060.00	6,725.00
Certificates of Competency (Boiler Inspectors)	none	930.00
Certificates of Competency (Elevator Inspectors)	none	715.00
Total Revenue Produced	$71,959.11	$100,859.32

BOILER INSPECTION SECTION

The codes administered in this section of the division are the Wisconsin Boiler and Unfired Pressure Vessel Code (Chapters Ind 41–42) and the Refrigerating Plant Code (Chapter Ind 45). A new code adopted by the commission, dealing with Anhydrous Ammonia, (Chapter Ind 43) became effective on January 1, 1960.

The number of boilers and refrigeration plants inspected during this biennium by State Boiler Inspectors are tabulated below.

	Fiscal Year 1958–1959	1959–1960
Boilers Inspected		
Internally	87	120
Externally	1,329	1,309
Corrections Ordered	1,585	2,071
Boilers Condemned	6	2
Accidents Investigated	9	4
Refrigeration Plants Inspected	730	772

Inspections of boilers in Milwaukee by boiler inspectors employed by the city were as follows:

	Fiscal Year 1958–1959	1959–1960
Boilers inspected		
Internally	303	212
Externally	545	1,102
Corrections Ordered	1,108	1,292
Boilers Condemned	4	none

Inspection reports received from insurance company boiler inspectors were as follows:

	Fiscal Year 1958–1959	1959–1960
Boiler Inspections	6,143	6,227

Certificates of Competency issued to insurance company boiler inspectors on the basis of renewals or by initial examination were as follows:

	Fiscal Year 1958–1959	1959–1960
Certificates of Competency—renewed	258	149
Applicants for Certification	15	20
Applicants Examined and Certified	13	13

Codes administered by this section are Wisconsin Administrative Codes:

Boiler and Unfired Pressure Vessels	Chapters Ind 41 and 42
Anhydrous Ammonia	Chapter Ind 43
Refrigeration Plant	Chapter Ind 45

BUILDING SECTION

The building construction boom, continuing at a high rate, noticeably strained the capacity of this section to examine and approve the thousands of project drawings, design computations, and specifications received.

To expedite the approvals and to reduce a heavy backlog, that still persists, it has been necessary to shift personnel and explore other methods to shorten the waiting period for approvals.

The following tables show the volume of business handled by this section:

	Fiscal Year 1958–1959	1959–1960
Plans Examined		
Buildings	4,674	4,738
Fire Escapes	77	92
Heating & Ventilation	3,723	3,200
Exhaust Systems (Dusts, Fumes, Vapors & Gases)	141	195
Total Plans	8,615	8,225
Interviews		
Office	6,341	5,940
Field	1,468	1,453
Building Inspections	8,818	8,496

Codes administered by this section are Wisconsin Administrative Codes:

Dusts, Fumes, Vapors and Gases	Chapter Ind 20
Spray Coating	Chapter Ind 21
Sanitation	Chapter Ind 22
Safety in Construction	Chapter Ind 35
State Building Code	Chapter Ind 50 through Ind 57
Heating, Ventilation and Air Conditioning	Chapter Ind 58
Existing Buildings	Chapters Ind 60, 61, 62, 63 and 64

ELECTRICAL SECTION

In a joint action, the Industrial Commission and the Public Service Commission appointed an advisory committee to review and recommend such revision of the existing Wisconsin State Electrical Code as the committee deemed necessary. The initial meeting took place in October, 1958. A first draft of Volume II was completed in June, 1960. Public hearings are pending.

The Electrical Section continued to act in an advisory and consulting capacity to other state departments, and to manufacturers, architects, engineers, contractors, and electrical inspectors.

The following statistics cover some of the routine activities of the section:

	Fiscal Year	
	1958–1959	*1959–1960*
Code Committee Meetings	7	13
Electrical Plans Examined	24	30
Interviews	93	112
Inspections	6	7
Accident Investigations	23	32

Codes administered by the Electrical Section are Wisconsin Administrative Codes:

Wisconsin State Electrical Code	Volumes I and II
Electric Fence Code	Chapter Ind 16
School Lighting Code	Chapter Ind 17

ELEVATOR INSPECTION SECTION

No tabulation is made of the numerous conferences and consultations that involve this section, but the number is substantial. Manufacturers, architects, engineers, owners, insurance company representatives, and others frequently require assistance in design, installation and testing the several types of elevators, escalators, and dumbwaiters.

State Elevator Specialists, in addition, accomplished the following:

	Fiscal Year	
	1958–1959	*1959–1960*
Activity		
Installations Inspected	668	1,124
Violations Discovered	984	2,125
Drawings Examined and Approved	145	175
Accidents & Injuries Investigated	20	26

Insurance company Elevator Inspectors reported the following activities:

	Fiscal Year	
	1958–1959	*1959–1960*
Number of Inspections	5,623	5,378
Violations Discovered	3,716	3,844

Certificates of Competency issued to insurance company Elevator Inspectors on the basis of renewals or by initial examinations were as follows:

	Fiscal Year 1958–1959	1959–1960
Renewals		
Active	76	73
Inactive	26	28
Total	102	101
Applicants for Examination	20	16
Applicants Examined and Certified	8	3

The Wisconsin Elevator Code is identified as Chapter 4 of the Wisconsin Administrative Code.

FACTORY INSPECTION SECTION

Principally engaged in promoting safe working conditions in all places of employment the staff of this section seeks out hazards, confers with employers regarding them, and urges prompt action to bring about compliance with the applicable administrative safety codes.

Activities for the biennium were as follows:

	Fiscal Year 1958–1959	1959–1960
Activity		
Places of employment inspected	5,753	5,353
Violations of safety rules discovered	8,631	9,056
Injuries investigated	1,563	1,517
Hearings and conferences	3,803	2,805
Injury Reports received and analyzed	26,908	28,890

Codes administered by this section are Wisconsin Administrative Codes:

General Safety	Chapter Ind 1
Dusts, Fumes, Vapors and Gases	Chapter Ind 20
Spray Coating	Chapter Ind 21
Sanitation	Chapter Ind 22
Sanitary Facilities in Railroad Terminals and Cabooses	Chapter Ind 25
Railroad Employes Welfare Facilities*	Chapter Ind 26
Safety in Construction	Chapter Ind 35

* Adopted and became effective on August 1, 1959.

FIRE PREVENTION SECTION

The title of this section is not especially indicative of its function. Athough its general purpose is to minimize potential fire hazards wherever possible, a more apt title might be the Petroleum Products Section. The administrative codes dealt with are the Flammable Liquids Code, the Liquefied Petroleum Gas Code, the Dry Cleaning

Code, and others that involve the handling and storage of products refined, transported, and stored by the petroleum and related industries.

The following table summarizes the activities of the Fire Prevention Section for the past biennium:

	Fiscal Year	
	1958–1959	*1959–1960*
Activities		
Cities and villages visited	283	568
Mercantile establishments inspected	491	848
Number with fire hazards	52	60
Total hazards discovered	126	153
Petroleum product storages inspected	622	582
Oil, gasoline, kerosene, etc.	108	68
Hazards discovered	259	160
Liquefied petroleum gas	50	130
Hazards discovered	3	17
Dry cleaning establishments inspected	25	25
Hazards discovered	12	18
Fire department facilities inspected	222	447
Educational programs (speeches and demonstrations)	90	117
Plan Approvals		
Petroleum product storages, oil, gasoline, kerosene, etc.	228	405
Liquefied petroleum gas	63	65

The Fire Prevention Section functions within the scope of the following Wisconsin Administrative Codes:

Cleaning and Dyeing	Chapter Ind 7
Flammable Liquids	Chapter Ind 8
Liquefied Petroleum Gas	Chapter Ind 9
Fire Prevention	Chapter Ind 65

MINE-QUARRY SECTION

Noteworthy with respect to new and additional activities subject to inspection by the Mine–Quarry Section are the large scale public construction programs under way throughout the state. In the Milwaukee area, for example, excavations for sewers involve the excavation and lining of vertical shafts up to 100 feet in depth with diameters up to 30 feet connected by underground tunnels up to 15 feet in diameter. In many other communities, sewer and water supply systems are being installed and expanded at rates to meet the needs of a growing population.

Another important project requiring considerable attention by the Mine–Quarry Section is the Interstate Highway. Excavations, gravel pit operations, quarrying, blasting, rock crushing, and similar operations connected with the construction of the highway extends over hundreds of miles for the length of the project.

The following table summarizes the activities:

Mine inspections	114
Trench-tunnel inspections	1,002
Quarry and pit inspections	2,731
Field conferences	3,840
Injuries investigated	131

The codes administered by the Mine-Quarry Section are:

Quarries and Pits	Chapter Ind 2
Mines	Chapter Ind 3
Explosives	Chapter Ind 5
Tunnel, Caisson, and Trench Construction	Chapter Ind 6

STATISTICAL DIVISION

The Statistical Division has been in existence since the organization of the Industrial Commission in 1911. Its function is to carry out the various Statistical programs assigned to it by the Commission. Since 1911, the Statistical Division has prepared information on a large range of subjects.

Toward the end of the 1958–1960 biennium, plans were made for the inauguration of an Injury Frequency and Severity Rate Program in cooperation with the Bureau of Labor Statistics of the U. S. Department of Labor. This program will compare the frequency and severity rates of work injuries in different areas and industries—locally, state by state, and nationally. Such rates will be especially useful in providing a norm or basis of comparison for evaluating injury experience. Under the cooperative program, the same report will be used by both the state and federal agencies. Reporting rules and all tabulating procedures will be based upon the provisions of the American Standard Method of Recording and Measuring Work Injury Experience, 16.1—1954 (R 1959).

Following is a brief description of the current programs of the Statistical Division.

WORKMEN'S COMPENSATION STATISTICS

One of the major programs of the statistical division is the preparation of workmen's compensation statistics—including the review of qualifications of self-insurers and applications for partial or divided insurance coverage privileges. (See report of Workmen's Compensation Division.)

Employers subject to the provisions of the Workmen's Compensation Act must report compensable injury cases to the Industrial Commission on Form A–12. The statistical division codes certain pertinent information from Form A–12 and its corresponding claim docket prepared by the workmen's compensation division.

All of the material in the monthly releases on reported cases is derived directly from Form A–12. Much of the data for the annual

releases on compensable settled cases also comes from this form. Reports of 28,890 work injuries were received by the Commission during the second year of the biennium as compared to 26,908 during the first year of the biennium. Of these totals 4,272 and 3,868 were cases in which the liability of the employer was self-insured.

Employers and self-insurers are rated by the time taken to send in a first report; insurance companies and self-insurers are rated by the time taken to make the first payment of compensation. First reports of injury cases are considered prompt reports if received within seven days after the date of commencement of disability. First payments of compensation are classified as prompt payments when the injured employe has received, within 15 days after the commencement of his disability, the full amount due and payable for all compensable time lost during the first 10 days after the commencement of his disability.

Fiscal Year Ending June 30	Insured Employers	Public and Private Self-insured Employers	Total for Insured and Self-insured Employers
Percentage of cases with prompt first reports			
1959	58.6	42.9	56.3
1960	56.5	41.7	54.3
Percentage of cases with prompt first payments			
1959	89.0	82.1	88.2
1960	88.3	82.4	87.6

The releases on cases reported to the Commission on Form A–12 are issued monthly. The reported cases are classified by: insurance status; sex; percentage of first reports received within 7 days; daily average number of injury cases reported, by industry; industry and agency; type of accident and agency; agency; place of occurrence of injury; and available information on the fatal injuries reported during the month. Each quarter additional tables are included.

Fiscal Year Ending June 30	Fatal Cases	Non-fatal Cases	Occupational Disease and Other Non-accidental Injury Cases	Accidental Injury Cases	Women	Men	Total No. of Cases Reported
1959	104	26,804	909	25,999	3,403	23,505	26,908
1960	116	28,774	975	27,915	3,669	25,221	28,890
% increase	11.5	7.3	7.3	7.4	7.8	7.3	7.4

Work injury cases are classified by insurance carrier and self-insurer in the following releases: Promptness of First Payment of Compensation (semi-annual); Compensable Settled Cases Classified By Insurance Status (annual); and Injury Cases With One or More Hearings (annual).

Employer violations of Industrial Commission rules are published in an annual release on double and treble liability cases of illegally employed minors, and violations of safety orders.

The annual releases on compensable settled cases are on a calendar year basis and show amount of indemnity and medical aid paid. Various reports are issued, classifying the work injury cases by: place of occurrence; industry; disability; occupation; agency; diseases of occupations and other nonaccidental injuries. Such releases do not include compromised or noncompensable cases. Special studies are also released on work injuries occurring in certain industries.

Injury cases are classified as being *settled* (or closed) as soon as the Commission's files contain evidence of full payment of all benefits due, or when the Commission has entered a final award in final settlement of the claim.

COMPENSABLE WORK INJURY CASES SETTLED, 1958 AND 1959

Year	Number of Cases					Indemnity	Medical Aid Paid in Cases on a Fee Basis		Cases with No Fee Reported—Contract Medical and Other
	Total	Kind of Disability							
		Fatal	Permanent Total	Permanent Partial	Temporary		Number of Cases	Amount	
1958	22,447	124	3	2,969	19,351	$9,799,936	20,798	$3,568,285	1,649
1959	22,363	110	7	2,663	19,583	9,529,668	20,626	3,641,916	1,737

Some reports are not given general distribution. These include requests for special studies from other departments of the state, the Wisconsin Council of Safety, Inc. and employer groups engaged in accident prevention activities.

Monthly payrolls are prepared for the Children's Additional Death Benefit Fund, Second Injuries Indemnity Fund; and Workmen's Compensation Claims Against the State of Wisconsin, and all changes and adjustments are furnished to the Bureau of Finance. Special reports are prepared on the financial condition of these funds and those receiving benefits therefrom.

Reports are collected from employers carrying their own risk under the Workmen's Compensation Act and evaluated for Commission review. Applications for partial and divided insurance coverage are also presented to the Commission for necessary approval.

The Statistical Division also undertakes special studies for the Commissioners, the Director of Workmen's Compensation, and the Advisory Committee on Workmen's Compensation Legislation.

PREVAILING WAGE RATE CERTIFICATIONS

In 1931, the Wisconsin legislature enacted two laws which are designed to insure that construction workers on public works projects are paid wage rates that are at least as high as the wage rates that prevail for their occupation in their area of the state. The statistical division administers this program.

Section 103.49—Building Construction

Under this section, the Industrial Commission certifies a list of minimum wage rates for each state contract building construction project that costs $1,000 or more. The following table shows the number of such certifications made in the last biennium.

Fiscal Year	*Number of Certifications*	*No. of Counties in Which Certifications Were Made*
1958–1959	65	27
1959–1960	93	32

In order to make these certifications, the statistical division keeps an up-to-date file of wage rate reports from construction labor unions, contractor organizations, and federal certifications. The statistical division makes special surveys from time to time as the occasion demands.

The Commission also enforces this section. There were no wage rate complaints filed under Section 103.49 in the 1958–1960 biennium.

Section 103.50—Highway Construction

Under this section, the Industrial Commission certifies one complete list of minimum wage rates for state contract highway construction work every year before May 1, for all occupations in all counties.

As an aid in determining prevailing highway wage rates, the statistical division made the following surveys.

Date	*Whom Surveyed*	*No. Surveyed*
February 16, 1959	Contractors	1,076 *A*
March 20, 1959	Unions	240
December 15, 1959	Contractors	187
March 21, 1960	Unions	213

A Includes special survey of painting and concrete finishing contractors in Wisconsin.

The lowest minimum wage rate for the occupation "Labor Miscellaneous, Unskilled", and the number of counties in which it was certified were:

Date	*Amount*	*No. of Counties*
April 30, 1959	$1.83	16
April 29, 1960	1.93	16

In the summer of 1959, Section 103.50 was amended to include truck rental rates paid to those who own and operate the truck on the project. In order to determine these rates, the following surveys were made:

Date	*Whom Surveyed*	*No. Surveyed*
December 15, 1959	Highway prime contractors	187
January 20, 1960	Larger trucking concerns	254
February 2, 1960	Smaller trucking concerns and individual truck owners	168

The law requires that a Public Hearing be held before the highway certification is made. The following Public Hearings were held in the last biennium.

Date	*No. Attending*
April 16, 1959	62
April 14, 1960	64

Section 103.50 is enforced by the Highway Commission and local District Attorneys.

* * *

The statistical division has many inquiries directed to it regarding construction wage rates on public works—both state and municipal.

OTHER PROGRAMS

Statistical releases on child labor and street trades permits are published annually from information supplied by the woman and child labor division. The permits are classified by place of residence of the child; industry; sex; and age.

The statistical division also prepares certain reports on plans approved by the building section of the division of industrial safety and buildings.

UNEMPLOYMENT COMPENSATION

1958–1960 HIGHLIGHTS. Covered employment dropped sharply in 1958, but reached a new high in 1959. Only the manufacturing and mining sectors of Wisconsin's economy did not quite reach their previous employment levels during 1959. All other industry groups showed gains.

Similarly, total wages paid to covered workers declined in 1958, but reached a new high exceeding $4 billion in 1959.

In view of those changes, U. C. benefits rose from $29.3 million in 1957 to a record $66.5 million in 1958, and then declined to $37.0 million in 1959.

Those jobless benefit payments reduced the hardship of unemployment for many thousands of laid-off workers, and helped to sustain buying power throughout Wisconsin.

In recognition of widespread unemployment and rising benefit exhaustions, the special legislative session of June 1958 extended normal benefit durations about 50% in exhaustion cases, on a temporary basis through March 1959.

At the same time, employer contribution rates were decreased, for 1959 only, under a June 1958 anti-cyclical amendment.

The 1959 legislature made two major changes in Wisconsin's U. C. law. It increased the top benefit duration from 26½ to 34 weeks and adjusted the maximum weekly benefit rate semi-annually, to be 52½ percent of the gross state-wide average weekly wage for covered work.

COVERAGE—of Employers and Workers. By June 1960 Wisconsin's U. C. law covered over 33,000 employers—mostly with 4 or more

workers. (All states have covered employers of 4 since 1956. 20 states now cover employers of 1 person.)

Wisconsin's covered employers average just over 25 workers each. In March 1959 about 22,000 of those firms employed fewer than 10 workers; 6,000 had from 10–19 workers; 3,400 had from 20–49; 1,100 had from 50–99; 650 had from 100–249; 225 had from 250–499; 100 had from 500–999; and 101 employed 1,000 or more. The 101 employers, with 1,000 or more employes, employed one-third of the workers covered by the law.

The Commission's records show, month by month, the total number of workers employed—by private employers—in work covered by Wisconsin's law. Based on those monthly figures, covered employment averaged 735,100 in 1950; 778,500 in 1951; 785,600 in 1952; 800,500 in 1953; 762,700 in 1954; 789,000 in 1955; 836,600 in 1956; 842,400 in 1957; 808,600 in 1958; and 851,900 in 1959.

MONTHLY COVERED EMPLOYMENT—1957, 1958, 1959
(rounded data)

	1957	*1958*	*1959*
January	825,200	806,900	804,600
February	824,500	792,000	796,600
March	826,100	789,800	804,400
April	832,500	789,500	822,600
May	836,400	796,100	849,600
June	843,800	804,000	870,900
July	867,800	818,600	887,800
August	861,000	815,300	885,600
September	865,700	824,500	889,000
October	847,700	816,600	875,400
November	840,500	822,100	862,500
December	837,500	827,300	873,900
Average	842,400	808,600	851,900

COVERED EMPLOYMENT AND GROSS WAGES—1958 AND 1959
(by industry group)—(rounded data)

Industry	*Average Monthly Employment*		*Gross Wages (in millions)*	
	1958	*1959*	*1958*	*1959*
Manufacturing	427,400	455,100	$2,165.2	$2,458.7
Trade	192,000	200,700	689.6	748.9
Service	53,300	56,200	157.0	172.0
Utilities	52,500	53,800	258.0	281.8
Construction	43,300	45,400	246.0	266.3
Finance, etc.	35,000	35,800	154.8	165.7
Mining, etc.	3,500	3,300	17.8	17.5
Miscellaneous	1,600	1,600	6.1	6.5
Total—All	808,600	851,900	$3,694.5	$4,117.4

Public employes are omitted from the above figures; but Wisconsin's U. C. law has always covered some thousands of public employes. The law now applies to over 41,000 public workers—employed

by the State, by the City of Milwaukee, or by those cities or counties which have elected coverage. Instead of requiring U. C. reserves in such cases, the law applies a simple benefit reimbursement basis to each government unit.

In addition, under a 1954 agreement with the U. S. Department of Labor, about 22,000 federal civilian employes are covered by the unemployment compensation provisions of Wisconsin's law. Benefits paid to unemployed federal workers are financed entirely at federal expense.

In rough summary, Wisconsin's civilian labor force, comprising the employed and unemployed, totals about 1.6 million. Of that number, about 250 thousand are farm workers, and about 150 thousand are self-employed, unpaid family workers, or domestic workers, with the remaining 1.2 million being nonagricultural wage and salary workers.

About 950 thousand of those 1.2 million nonagricultural wage and salary workers have unemployment benefit protection as follows:—875 thousand in covered private employment; 60 thousand in covered government employment; and 15 thousand in railroad employment covered under federal law.

The remaining 250 thousand nonagricultural workers, not covered by unemployment compensation, consist mainly of state and local government workers, employes of non-profit organizations, and about 75,000 employes of employers having less than 4 workers.

Wisconsin's U. C. FUND—and Contributions. Wisconsin's unemployment reserve fund is held in trust, pursuant to state and federal law, to pay unemployment benefits to eligible covered workers. (The law's administration is financed separately, by federal grants.)

Wisconsin's reserve fund has now been built up since July 1934,—by contributions from covered employers only. Each employer's required payments are figured as a percentage of his covered payroll, and are credited to his experience-rating account in the state fund.

The contribution checks received from employers are deposited in a Wisconsin bank, for collection. Those collections are then transmitted to the U. S. Treasury Department in Washington, to be credited to Wisconsin's account in the federal "Unemployment Trust Fund." The amounts thus deposited are invested in federal securities, and interest earnings are duly credited to Wisconsin's account. Each week the Commission requisitions back enough of its deposits to cover its current benefit payments. Benefit checks are then drawn on a Wisconsin bank account, maintained by the Commission for that purpose.

Ever since 1937 the fund's interest earnings have been credited to its "balancing account"—which finances various benefit charges (including the "red figures" of some employer accounts) and helps to keep the whole fund adequate, even under adverse economic conditions. Those interest earnings averaged 2.65% and totalled $5.9 million in fiscal 1959; 2.78% and $6.1 million in fiscal 1960.

Under a 1957 amendment, part of the fund's current net interest (remaining after certain current charges) is credited annually to the

fund's employer accounts. Such credits totalled $1.4 million in 1957 and $1.5 million in 1958. In both years of the 1958–1960 biennium, however, current charges exceeded current earnings, so no credits to employer accounts were made in either of those two years.

During recent fiscal years Wisconsin's U. C. contribution collections have totalled:—$26.5 million in 1956–1957; $26.8 million in 1957–1958; $26.7 million in 1958–1959; and $31.7 million in 1959–1960.

On June 30, 1960, Wisconsin's U. C. benefit fund had a net reserve balance of $220 million,—after paying $92 million in U. C. benefits during the two preceding years. The fund's peak balance was $262 million at the close of October, 1957. The ensuing decline in the fund's balance was due to the heavy benefit costs of the 1957–1958 economic recession.

The law's present system for determining each year's contribution rates is designed to gradually adjust the fund's future income, in line with changing conditions. But it is worth noting, for recent years, how Wisconsin's year-end fund balances have compared to the statewide wages on which the law's benefit rights are based.

Stating each year-end balance as a ratio to that year's "taxable" (first $3,000) wages, the fund's percentages were:—12.44% in 1949; 11.80% in 1950; 11.44% in 1951; 11.56% in 1952; 11.55% in 1953; 11.45% in 1954; 11.14% in 1955; 10.74% in 1956; 10.90% in 1957; 9.70% in 1958; and 8.91% in 1959.

Stating the same year-end balances as ratios to *total* wages for covered work, the fund's percentages were:—10.17% in 1949; 9.30% in 1950; 8.57% in 1951; 8.41% in 1952; 8.15% in 1953; 7.93% in 1954; 7.46% in 1955; 6.98% in 1956; 6.91% in 1957; 6.03% in 1958; and 5.33% in 1959.

It is clear from those figures that the relative adequacy of Wisconsin's fund has declined substantially during the past decade; but this fund is still among the strongest in the nation.

EXPERIENCE RATES. Wisconsin's law has from the start included a definite system of individual employer "experience rating"—with each employer's contribution rate based on his own experience under the law. This system of setting rates is designed to charge each employer with the benefit costs of his own unemployment, and to encourage steadier jobs, so far as practicable.

Each employer's contribution rate is determined once a year, based on his own record—reflected by his account—as to payrolls, contributions and benefit payments. Employer contribution rates vary accordingly, both among employers and from year to year—based on varying experience.

The law's normal contribution schedule uses 9 possible "experience" rates, each stated as a percentage of the employer's covered payroll: —4%; 3½%; 3%; 2½%; 2%; 1½%; 1%; ½% or 0%. The highest rates apply only after an employer's benefit drains have exceeded his contributions. The lowest rates apply to an employer only when he has built up substantial reserves.

The average rate of contributions, stated as a percentage of the given year's defined (taxable) payrolls, was 1.02% for 1955; 1.09% for 1956; 1.11% for 1957; 1.09% for 1958; and 1.07% for 1959. The average rate of contributions was even lower, for each of those years, if stated as a percentage of the year's gross total wages for covered work, as follows:—0.68% for 1955; 0.71% for 1956; 0.70% for 1957; 0.68% for 1958; and 0.64% for 1959.

Wisconsin's experience rating system measures reserve adequacy by the most recent (single) year's payrolls, and limits rate jumps in bad years, to help assure a better adjustment of individual rate variations to "fat" and "lean" years—with higher rates building larger reserves in good years, to permit lower rates in bad years.

In line with that long-standing policy, Wisconsin's June 1958 amendment applied—to 1959 experience rates—one of the lower "lean year" schedules enacted in 1951. (The new 1958 device will trigger reduced experience rates, for the next calendar year, whenever benefit payments—during the 12 months ending October 31—have been heavy enough to exceed by at least $10 million a basic total equal to 1% of the gross statewide wages paid for covered work in the fiscal year ended June 30. That benefit volume was reached in 1958, for the first time, because of the recession.) The resulting reductions in Wisconsin's experience rates cut the total contributions otherwise payable for 1959 by about $6 million.

U. C. BENEFITS—under Wisconsin's Law. During the first 24 years, through August 17, 1960, Wisconsin's covered workers received over 15 million benefit checks, for weeks of partial or total unemployment. Those checks totalled over $367 million.

Here are the benefit dollars paid out under Wisconsin's U. C. law, by calendar years.

WISCONSIN U. C. BENEFITS—By Calendar Years—1936–1959

Year	Amount	Year	Amount	Year	Amount	Year	Amount
1936	$ 131,073	1942	$ 4,119,561	1948	$ 4,895,635	1954	$40,029,910
1937	2,131,576	1943	880,512	1949	19,626,899	1955	22,187,840
1938	9,511,312	1944	1,249,692	1950	13,061,616	1956	24,055,554
1939	3,663,572	1945	4,264,654	1951	7,358,376	1957	29,306,071
1940	4,548,529	1946	7,771,882	1952	14,128,778	1958	66,515,694*
1941	2,928,432	1947	3,393,102	1953	17,937,114	1959	37,030,937*

*Includes $11.8 million in temporary emergency benefits ($8.1 million in 1958 and $3.7 million in 1959).

For the last 4 fiscal years, Wisconsin's benefit payments totalled $26,495,771 during 1956–1957; $47,195,581 during 1957–1958; $56,018,970 (including $11.8 million in temporary emergency benefits) during 1958–1959; and $36,030,385 during 1959–1960.

TEMPORARY EMERGENCY BENEFITS. Because of wide-spread unemployment and rising benefit exhaustions, (Congress enacted the Temporary Unemployment Compensation Act of 1958. That Act

offered each state—as an anti-recession measure—temporary (repayable) federal financing for a limited system of extended benefits. Seventeen states accepted the federal advances, which must be repaid starting in 1963.

Wisconsin chose to enact its own system of "temporary emergency benefits" (TEB), financing them out of its own unemployment fund. (Four other states did likewise.) Wisconsin's "temporary emergency benefit" program simply lengthened the normal benefit durations of exhaustees about 50% during a 9-month period, starting in July 1958, so that maximum benefit duration—normal and temporary combined —was extended to 39½ weeks.

About 41,300 Wisconsin workers who had exhausted their normal benefit rights received temporary emergency benefits, totalling $11.8 million. If all those claimants had drawn their full TEB benefits, averaging about $33 for about 11 weeks, the total would have been $15.1 million. 57% of all TEB claimants did exhaust their full TEB rights.

TEB beneficiaries were in the main workers who during years of high level economic activity such as 1955, 1956 and early 1957 did not exhaust their normal benefits. About 85% of all TEB beneficiaries had no normal U. C. exhaustions in those three years. Less than one-half of one percent exhausted their normal U. C. benefits in each of those three years.

WEEKLY BENEFIT RATES. Each worker's benefit rights under the law are based on his employment by a covered employer. What weekly benefit payment applies to an eligible claimant depends on his own average weekly wage from the given employer, figured by dividing his gross earnings by his work weeks.

The law's schedule of weekly benefit rates, though based on each worker's own average weekly wage, is weighted in favor of the lower earnings brackets. In the higher wage brackets Wisconsin's benefit schedule pays each jobless worker about 50% of his average wage—up to the law's top benefit rate or ceiling.

A major 1959 amendment to Wisconsin's U. C. law provided that, starting in 1960, the top weekly benefit rate will be set, each January 1 and July 1, at 52½ percent of the gross state-wide average weekly wage—of Wisconsin's covered employes—for the 12-month period ended 6 months earlier. This determination is non-discretionary, being based on comprehensive wage and employment data regularly gathered and available under the law.

This semi-annual adjustment will automatically keep the law's benefit ceiling up to date. It will help assure that the majority of Wisconsin's jobless workers will be paid weekly benefits equal to 50% of their own average weekly wages.

Under this 1959 amendment, Wisconsin's top weekly benefit rate became $47 on January 1, 1960, as to new benefit determinations made through June 30, 1960. During the first half of 1960, Wisconsin's

benefits for total unemployment ranged from $11 per week up to a maximum of $47 per week, and averaged $36.22 per weekly check. The top benefit rate became $49 starting July 1, 1960.

BENEFIT DURATIONS. Experience during the 1957-1958 recession focused attention on benefit durations and exhaustions.

The first result was the enactment, by the June 1958 special session, of a system of "temporary emergency benefits." Soon after that system expired, the Legislature—in June 1959—adopted an advisory committee recommendation substantially liberalizing the benefit duration provisions of Wisconsin's law, on a permanent basis. Where the temporary emergency program extended benefit durations for *all* claimants, the 1959 amendment has given longer unemployment benefit protection to claimants with longer work histories.

How many weeks of benefit duration may apply to an eligible Wisconsin worker depends on how many work-weeks he has had in covered employment during the past year. He now needs 18 (formerly 14) such work-weeks, to qualify at all. Beyond that, the more weeks he has worked, the more rights he has built up and the more benefit weeks he may draw—if he remains unemployed and eligible.

Prior to the 1959 amendment, if a worker had 38 or more weeks of covered employment within the past year, he could draw up to 26½ weeks of benefits. If he had fewer work-weeks, his benefit weeks could equal about 70% of his actual work-weeks.

Under the 1959 amendment, the top benefit duration was increased to 34 benefit weeks, based on 45 work-weeks. No increase in benefit duration was provided for claimants who work 20 weeks or less. But somewhat higher durations were provided for all claimants with more than 20 work-weeks.

WAITING PERIOD. Wisconsin's U. C. law requires a "waiting period"—in each calendar year—of 1 calendar week of unemployment, for which no benefits can be paid. (The worker must register and claim and be eligible for that week, or it can't be counted toward his unpaid waiting period.)

The law's 1-week waiting period means that an eligible jobless worker cannot receive his first benefit check (which pays for his second week of unemployment) until about 3 weeks after his layoff.

BENEFIT CLAIMS. To secure benefits under Wisconsin's U. C. law, each jobless claimant must register for work, and must report weekly, through one of Wisconsin's public employment offices. These offices are located in 26 cities, throughout the state. Many smaller communities are served by traveling U. C. representatives, once a week.

To remain eligible, a jobless claimant must apply for any job to which a public employment office refers him and must accept any work offered him, or show good cause for his failure to do so. Whenever a claimant turns down a job without good cause, the law's "work-test" stops his benefits—until after he has worked again, in at least four weeks.

Various other qualifying, eligibility and disqualifying conditions apply. For instance, no benefits are paid to workers while they are out on strike. Benefits are suspended while a claimant is unavailable for work. An employe who is discharged for misconduct on the job, or who quits his job without adequate cause, cannot draw any benefits based on that job.

In short, the law's provisions limit its protection rather strictly,—so that benefit checks go only to laid-off workers who are genuinely unemployed.

SETTLEMENT OF DISPUTED CLAIMS. Whenever a question arises as to the possible disqualification of a claimant for benefits, an investigation is made. Based on the facts thus gathered, a Commission deputy makes an initial determination. In any case involving a dispute between employer and employe, both parties receive a written copy of the determination and either may appeal.

In 1959, 60,381 determinations on questions involving possible disqualifications were made at the initial stage. In 28,585, or 47%, of those cases the claimant was denied benefits for varying periods up to complete cancellation of his benefit rights, depending upon the issue involved.

Of the 60,381 determinations, 17,865 involved employer contests, primarily on "Quit" and "Misconduct" issues. The remaining 42,516 determinations involved questions arising through the screening of claims by the Commission's staff,—such as the claimant's availability for work, his failure to register for work with a public employment office, or his failure to apply for or accept a suitable job.

Of the 60,381 initial determinations thus made, 2,767 or 4.6% were appealed. In about two-thirds of those cases, the Commission examiner hearing the appeal affirmed the initial determination.

During 1959 the Industrial Commission, sitting as a review body, considered 537 further appeals. The Commission affirmed the examiner's decision in 93% of those cases.

Finally, 16 cases were disposed of by the Circuit Court in 1959, on appeals from Industrial Commission decisions. The Court affirmed the Commission in 4 cases, reversed the Commission in 1 case, and dismissed 11 cases.

CONTROLLING BENEFITS. The Industrial Commission's continuing efforts to control benefit claims and to prevent improper payments have always been widely supported by labor, by management and by citizens generally. Wisconsin's covered employers are kept fully informed as to benefits and have been especially helpful in keeping improper payments down to a minimum.

When an employe starts his claim, his last employer is notified and asked to report any disqualification which may apply to the claim. Further, the employer not only receives a notice of each benefit determination, but also a notice of each resulting benefit check. Wisconsin was the first state to supply such current benefit information to its employers.

Most U. C. claimants are honest. But there is always some fraud in any benefit program. A few cheaters conceal current wages while claiming U. C. benefits. The Commission uses various methods to spot such fraud. It also checks every letter (even if unsigned) which gives definite facts about a possible fraud case. U. C. cheaters do get caught, and the law's various fraud penalties are applied.

OTHER U. C. BENEFIT PROGRAMS. Along with the state jobless benefit program, the Industrial Commission currently operates two federal U. C. programs, whose benefit provisions and procedures are closely tied in with Wisconsin's U. C. law. (No claimant can receive both Wisconsin benefits and federal U. C. benefits for the same week.)

One federally financed program, called U.C.F.E., provides benefit protection to about 22,000 federal civilian employes located in Wisconsin. During the biennium ended June 30, 1960, the Commission issued 38,600 U.C.F.E. checks totalling $1,240,800.

Another federal program, called U.C.X., applies to ex-servicemen, and began operating in October 1958. Through June 30, 1960, the Commission had issued 73,700 U.C.X. checks, totalling $2,274,700.

The Industrial Commission cooperates with other state employment security agencies in administering those federal programs, as well as the respective state unemployment compensation laws.

January 1960 marked the expiration of the federal U.C.V. benefit program for unemployed "Korean" veterans. Since October 1952, when the U.C.V. program started, through January 1960, 21,200 Wisconsin veterans had received $8,337,500 in unemployment benefits under that program.

ADMINISTRATIVE COSTS. Wisconsin's administrative costs have always been relatively low, when measured by the cost of operating similar U. C. programs in fairly comparable states.

The Commission's costs of administering Wisconsin's U. C. program are almost wholly financed by federal grants made by the federal Bureau of Employment security, from Congressional appropriations.

These federal grants require the submission of budget estimates based on detailed work-load and unit cost estimates. They also involve federal auditing of all expenditures made by the Commission's U. C. Department—even though all such items (salaries, purchases, rentals, etc.) constitute state expenditures, made through the regular channels which apply to all state departments.

During 1959–1960, the Commission's U. C. Department further mechanized its benefit operations, and became responsible for cooperating in the federal B.L.S. program for current employment statistics.

Because of widely fluctuating loads—which characterize every unemployment compensation program—the Commission's U. C. staff and costs have varied widely from year to year. U. C. operating costs, including those involved in paying federal U. C. benefits, were $1,549,350 for the fiscal year 1956–1957; $1,997,026 for 1957–1958; $2,243,144 for 1958–1959; and $2,131,817 for 1959–1960.

FEDERAL LEGISLATION. During 1959-1960 there was increasing concern about adequate benefit financing, under some state U. C. laws, —and about the federal U. C. loan fund. Late in 1960 Congress tightened its loan fund provisions, thereby emphasizing the responsibility of each state for sound financing of its jobless benefit program.

Congress continues to receive sweeping proposals to impose federal "standards" on all state U. C. laws, both as to benefits and as to their financing. Most such bills would, if enacted, leave little room for state discretion, or initiative.

So far, the steady improvement of the state laws has been a major factor in defeating such proposals. As the Commission has noted in previous reports:—"the best argument against federalization is progress by the states themselves—in improving their own laws and administrative performance. The better the state laws, and the better their administration, the stronger the case against federalization—and the weaker the public demand for further centralization of government functions . . . . Suitable action by the states, to provide more adequate benefit protection for their own citizens, is the best way to head off—or defeat—renewed 'federalization' efforts."

WISCONSIN U. C. AMENDMENTS. Under Wisconsin's unemployment compensation law, the primary responsibility for recommending desirable amendments rests on the law's Advisory Committee,—which now consists of 4 employer and 4 labor members.

This representative group has functioned ever since the law's enactment. It has counselled with the Commission on administrative policy and procedure; and has jointly recommended nearly all the major amendments enacted by Wisconsin's Legislature since 1932.

Pursuant to its statutory mandate, the Advisory Committee will again hold public hearings and will seek to reach joint agreement on desirable U. C. amendments,—for consideration by the 1961 Legislature. Two legislators have been named by the Legislative Council to observe the Advisory Committee's 1960–1961 meetings.

* * *

Note: Various pamphlets and statistical tables as to the U. C. law and its operation and as to employment and wages, are available on request from the Commission's U. C. Department, 137 East Wilson Street, Madison 1, Wisconsin.

WAGE PAYMENT AND COLLECTION DIVISION

Under sections 103.39 and 101.01 the commission may investigate and attempt to equitably adjust controversies on wage claims alleged to be due. In its efforts to effect a settlement it may take an assignment of wages in trust from any employe whose claim is deemed to be valid.

Claims against employers in Milwaukee County are dealt with by the commission's branch office in Milwaukee. An attorney located in the Milwaukee office devotes a part of his time to the handling of claims filed with that office and represents the claimant in taking his claim into court. Claims against employers located elsewhere in the state are handled by the Director of the Woman and Child Labor Division located in Madison.

When a claim is filed with the commission the employer is notified and requested to acquaint the commission with his position relative to payment of the claim. If he denies its validity, the matter is set for hearing at which employer and employe are given full opportunity to present their respective claims in the matter. If the commission finds the claim to be valid and the employer refuses to pay it, the employe assigns his claim to the commission as the basis of a civil action against the employer for its collection.

The law provides that the commission may call upon the district attorneys of this state to commence these actions where necessary. Actions on claims for agreed wages against employers in the state, exclusive of Milwaukee County are commenced by the district attorney of the county in which the employer is located. Before requesting action by the district attorney's offices the claim is carefully screened and every effort is made to settle it by negotiation.

During the period July 1, 1958 through June 30, 1960, 81 claims were referred to district attorneys for action. In addition, court action was commenced on 120 claims by the commission attorney located in the Milwaukee office.

During the biennium 1,267 claims were filed and 685 claims were collected. Collections amounted to $40,722.97. As of July 1, 1960 there were 639 claims pending in the Milwaukee office and 116 claims pending in the Madison office.

WOMAN AND CHILD LABOR DIVISION

This division is charged with the administration of eight laws affecting the employment of men, women and children. They are the Child Labor, Street Trades, Women's Hours, Home Work, Minimum Wage, One Day of Rest in Seven, Wage Payment and Collection and Private Employment Agency Laws.

CHILD LABOR. The Child Labor Law provides that child labor permits are required for all minors under 18 years of age engaged in any gainful occupation, except that permits are not required for minors engaged in work usual to the home of the employer outside of school hours, nor for minors employed in agricultural pursuits.

The statutes provides that no minor under 14 years of age may be employed in any gainful occupation except that minors 12 to 14 may be employed in domestic work during school vacations, boys 12 to 14 may be employed, with labor permits, as caddies on golf courses if caddy carts are used, and minors under 14 may be employed in agriculture.

The statutory provision, that minors under 14 may be employed in agriculture, was modified by order of the commission effective June 1, 1960, to prohibit the employment of minors under 12 in certain types of industrialized agriculture.

Orders allowing the employment of minors 12 years of age and over in school lunch programs, and the use of automatic self service elevators by minors under 18 years of age during the course of their employment but not as regularly employed elevator operators, were also adopted by the commission, effective June 1, 1960.

Section 103.75 of the statutes and the orders of the commission provide rules and regulations for the issuance of certificates of age to minors, 18 to 21 years of age. Certificates of age are not required but protect the employer, as such certificates are considered conclusive evidence of the age of the applicant, in any proceeding under the labor laws and the Workmen's Compensation Act of this state, as to any act or thing occurring subsequent to the date of issuance.

STREET TRADES. The Street Trades Law regulates the employment of minors under 18 years of age in the sale and distribution of magazines, periodicals, newspapers and in street trades work on any street or other public place or from house to house. The statute originally enacted fixed a minimum of 18 years for the employment of girls and 13 years for employment of boys. In 1951 the law was amended to allow the employment of boys 12 years of age on condition that their work was limited to house to house street trades work in residential areas.

CHILD LABOR AND STREET TRADES PERMITS AND CERTIFICATES OF AGE ISSUED IN WISCONSIN. Permits and certificates of age are issued by the Industrial Commission in its Madison

and Milwaukee Offices and by persons designated by the commission to assist in their issuance. Permit officers have been designated in all cities and villages which have seasonal or other industries offering employment to minors. As of June 30, 1960, 634 permit officers were assisting the commission in the issuance of child labor and street trades permits and certificates of age. The number of child labor and street trades permits and certificates of age issued in the state are shown for the calendar years indicated.

CHILD LABOR PERMITS ISSUED IN WISCONSIN YEARS 1958 and 1959

	1958	*1959*
Total	41,545	58,765
In City of Milwaukee	9,260	14,658
In State, exclusive of Milwaukee	32,285	44,107

STREET TRADES PERMITS ISSUED IN WISCONSIN YEARS 1958 and 1959

	1958	*1959*
Total	13,116	15,323
In City of Milwaukee	3,879	4,419
In State, exclusive of Milwaukee	9,237	10,904

AGE CERTIFICATES ISSUED IN WISCONSIN YEARS 1958 and 1959

	1958	*1959*
Total	6,557	10,296
In City of Milwaukee	1,804	4,195
In State, exclusive of Milwaukee	4,753	6,101

WOMEN'S HOURS. Prior to April 1, 1957, the statutory provisions as modified by orders of the commission prohibited the employment of women in factories and laundries between 6:00 P.M. of one day and 6:00 A.M. of the following day. In 1957, after public hearings were held, the commission adopted order Ind 74.01 relating to the employment of women in manufactories and laundries during night hours under the following conditions: (1) that women so employed may not work more than 8 hours per day and 48 hours per week and (2) that a meal period of at least 30 minutes be provided and (3) that the so called One Day of Rest in Seven Law be complied with in manufactories. In addition to these conditions, no woman is to be employed on any shift that starts or stops between midnight of one day and 6:00 A.M. of the following day. This so called Night Work Order became effective April 1, 1957.

In addition to the so called Night Work Order, other orders were adopted which affect all employments covered by the Women's Hours Law. These orders are contained in chapter Ind 74 of the Wisconsin Administrative Code.

Many employers found difficulty in arranging their schedules so that women would not be employed on an evening shift beyond midnight. A petition was presented to the commission requesting that this

portion of the order be amended to permit the employment of women at night work providing no shift starts or stops between 1:00 A.M. and 6:00 A.M. of any day. The commission adopted the proposed amendment which became effective September 1, 1958.

Further hearings were held early in 1960 and revisions were made to the orders adopted in 1957. Among the new provisions is the requirement that employers found to be in violation of the Women's Hours Law must pay time and one-half the regular rate of pay for all excess hours worked. The new orders became effective June 1, 1960.

HOME WORK. The Wisconsin law provides that no owner or lessee of any factory shall send out work to be done in the home unless he has secured a permit to do so from the Industrial Commission. The permits are now issued on a yearly basis. As of June 30, 1960 there were 38 permits in effect for homework manufacture.

MINIMUM WAGE. The Minimum Wage Law provides that no employer shall pay to women and minor employes less than a living wage. Living wage is defined as a wage which will permit the employe receiving it to maintain himself under conditions consistent with his welfare; welfare is defined as reasonable comfort, physical well-being, decency and moral well-being. It applies to all women and minor employes, except legally indentured apprentices. The law makes it the duty of the Industrial Commission to determine after investigation what constitutes the living wage for women and minor employes. The commission, in carrying out this duty, adopted the first general order in 1919 and because of the changes in the cost of living has revised it at different times since. In May, 1960, following meetings with its advisory board and, after public hearings were held, the commission adopted orders revising the minimum wage rates. The rates fixed were based on the increased cost of living since the effective date of the last wage order, May 1, 1956. After the public hearings, filing and printing as required by chapter 227, the new wage orders became effective June 1, 1960.

The present order sets an hourly rate which applies to all industries, including domestic services and agriculture, with a differential based on the size of the community and the age of the minor. The minimum hourly rates in cities and villages with a population of 1,000 or more is 85¢ for women and minors, 16 years of age and over, and 75¢ for minors under 16 years of age. In cities and villages with a population of 1,000 or less, and elsewhere in the state the minimum rate is 75¢ per hour for women and minors, 16 years of age and over, and 65¢ per hour for minors under 16 years of age.

ONE DAY OF REST IN SEVEN. To relieve some employers of the hardships created by strict compliance with section 103.85, especially in cases of emergency where it was impossible to request a waiver in advance, the commission adopted order Ind 75.01 which states that twenty-four consecutive hours of rest in each calendar week shall be deemed compliance with this section. This order first became effective April 1, 1957, and is still in effect.

VIOLATIONS. During the period July 1, 1958 through June 30, 1960, inspectors in the department submitted reports showing the following violations in establishments visited. The figures below exclude inspections of establishments where no violations were found.

Child Labor

Minors employed without the required permits	1,394
Minors employed at prohibited employments	360
Minors employed in excess of the legal number of hours permitted per day	460
Minors employed in excess of the legal number of hours permitted per week	180
Minors under 18 years of age employed more than six days per week	139
Minors under 18 years of age employed outside of time of day permitted by law and special orders	253
Minors given less than legal meal period	70
Minors employed in violation of bowling alley order	75

Street Trades

Boys employed without street trades permits	100
Boys employed at prohibited employments	31

Women's Hours

Women employed in excess of the legal daily limit of hours	1,577
Women employed in excess of the weekly limit of hours	1,031
Women given less than legal meal period	182
Women employed in violation of orders for night work in factories and laundries	18

Wage Adjustments Under Minimum Wage Law

Number of persons receiving wage		736
Number of minors	543	
Number of adults	193	
Total amount of wage received		$20,948.60
Paid to minors	$12,096.85	
Paid to adults	8,851.75	

In addition to the wage adjustments shown above which resulted from field investigations an additional 310 claims for agreed wages due women and minors were collected through the Milwaukee office. The total amount collected on these claims was $9,889.74. These claims came to the attention of the commission where questions of compliance with other regulations were raised.

Inspectors' reports also showed the following miscellaneous violations:

Number of employers failing to keep adequate records		831
Number of employers engaging in home work manufacture without a home work permit		1
Number of employes in mercantile and manufacturing establishments without one day of rest in seven		85
Number of men	27	
Number of women	58	
Payment of wages not made as required by section 103.39		13

EMPLOYMENT AGENTS. Private Employment Agents are licensed under chapter 105, Wisconsin Statutes, for annual periods from July 1 of one year to June 30 of the next.

During the period from July 1, 1958 through June 30, 1960, one private employment agency was discontinued. Six new applications were received for licenses. After hearings were held, one license was granted, four were denied and one application is pending. As of July 1, 1960, eleven persons were licensed to operate private employment agencies. Ten of these agencies are located in Milwaukee and one is located in Madison.

Only five of the eleven employment agents licensed as of June 30, 1960 reported gross receipts in excess of $5,000 for the year ending June 30, 1960. One of them reported gross receipts between $5,000 and $10,000 and four of them reported gross receipts between $10,000 and $126,589.

Placements made by all licensed agencies for each of the license years were:

July 1, 1958 through June 30, 1959	6,567
July 1, 1959 through June 30, 1960	6,233

WORKMEN'S COMPENSATION DIVISION

Wisconsin has been a leader in the field of workmen's compensation since it was enacted in 1911. During the past two years over 54,000 injuries were reported and over 27 million dollars was paid out for disability benefits and medical expense. Injuries in which disability does not exceed 3 days need not be reported to the Industrial Commission, and therefore there is no record of the medical expense in such cases. Such payments are in addition to the 27 million dollars.

The maximum weekly compensation rate for temporary disability and for permanent total disability was increased from $49 to $54 in 1959, while the maximum weekly rate for permanent partial disability was increased from $37 to $40. Over 1 million employes are subject to the workmen's compensation act, and approximately 63,800 employers are subject to the act. Employers who have three or more employes are compulsorily subject while other employers may voluntarily elect to become subject. Farmers are not compulsorily subject but a small number have elected to be subject. Domestic servants also need not be covered unless the employer voluntarily elects.

Liability under the workmen's compensation act is the exclusive remedy of the employe against the employer, and it does not depend upon negligence. Those employers who are not subject to workmen's compensation may be sued at common law upon a showing of negligence resulting in injury to an employe. The Wisconsin law provides for direct payment of compensation without formality or written agreement. This assures speed in payment so that approximately 90 per cent of all first compensation checks are paid within 15 days of the

date of injury. When permanent disability results payment continues on a weekly basis for conceded disability. For many years the commission has conducted an energetic campaign to make certain that the payments of compensation are made promptly. This information has been recorded and published for the interested parties with the result that promptness in payments is the constant goal of insurance carriers.

Employers are required to report compensable injuries to the commission. Self-insured employers and insurance carriers are required to make subsequent reports as to payment. Employers make first reports on the fourth day after commencement of disability of accident or occupational disease entitling an employe to compensation. On the eleventh day a report is required showing that payment has commenced or giving the reason for not making payment. When payments are discontinued for any reason another report must be submitted, and if dispute exists a statement must be attached advising of the nature of dispute. When final payment is made it is reported to the commission and accompanied by receipt signed by the employe. Physicians' reports are required where temporary disability exceeds 3 weeks or where any permanent disability results. Reports are used as a check against each other and a follow-up system is employed to see that they are supplied promptly to the commission.

As soon as the commission receives information from any source that an employe is entitled to compensation it sends him a letter and a pamphlet containing a condensed statement and answering questions which frequently arise. The employe is informed that he may write to the commission or appear before its representative if he has further questions.

When the commission's safety department believes that injury may have been caused by a violation of a general order on safety it is investigated by a deputy of the commission. If investigation discloses that injury was due to the employer's failure to comply with a safety order or law, the employer is so advised. In such cases the employer is required to pay 15 per cent increased compensation for which insurance cannot be provided. If liability is disputed the matter is scheduled for formal hearing. Cases involving employment of minors in violation of the child labor law or at prohibited employment which entitles them to double or treble compensation are handled similarly.

"UNCONTESTED" CASES. Of the 54,000 cases reported in the last 2 years nearly 45,000 cases were found to be compensable. In over 90 per cent of these cases adjustment was reached without hearing. Many questions are adjusted through correspondence or through informal conference between the parties and the commission. The commission attempts to keep all parties fully informed as to their rights and duties, thus avoiding issues which otherwise might be raised. All cases in which adjustment is reached without formal action are termed "uncontested."

The commission adheres to its policy of not approving final settlements in "uncontested" cases. Careful inquiry is made to make certain that settlement is effected in accordance with the requirements of law. This requires careful examination by employes with good knowledge of the compensation act, court decisions, and administrative procedure. Where no formal action has been taken by the commission a case may be reopened within 6 years from the date of the last payment of compensation. The law provides for compromise settlements, which must have the approval of the commission. Unless approved they have no effect. If approved they may be reviewed within one year and confirmed or set aside. Compromise settlements are not approved except as a valid dispute is shown to exist, and that payment of less than the full claim appears to be justified.

"CONTESTED" CASES. Formal hearings are necessary in less than 10% of the cases. Hearings, in such cases, are conducted by trained law examiners, who make findings and enter orders. Their findings and orders are reviewable by the Commission, upon request of either party, as to both law and fact. The Commission's decision is reviewable by the Dane County Circuit Court and the Supreme Court on questions of law only.

From July 1, 1958, to July 1 1960, the total number of petitions for review from examiners' decisions to the commission as a body was 705. This number constitutes 31 per cent of the total number of matters decided by examiners during that period. The number of appeals is accounted for by the fact that contrary to the practice of most states no expense is involved in review by the commission. That means that in a large proportion of cases the losing party will request review. It insures that careful attention is given to all cases, and that uniformity in decision is maintained.

Original findings and orders are made by the commission's examiners following hearing. As previously noted, over one-fourth of these are reviewed by the commission as a body.

Contested cases are brought to hearing by application for adjustment of claim by either party or upon the commission's own motion. Hearings are conducted at county seats and industrial cities throughout the state, avoiding expense to parties in bringing witnesses to Madison. A complete stenographic record is made of testimony taken, although proceedings are otherwise of an informal nature.

To assist employes in presenting their claims verified reports of physicians licensed in Wisconsin may be used in lieu of oral testimony. That saves expense for claimants in producing physicians at the time of hearings. Exchange of medical reports between claimants and employers and carriers results in adjustment of many cases in which hearing would otherwise be required.

When no petition for review is filed within 20 days from the making of the order by the examiner, the order automatically becomes that of the commission as a body. Appeal may be taken to the Circuit Court of Dane County within 30 days following the commission's order upon

review. From the decision of the Circuit Court appeal lies to the Supreme Court.

COMPENSATION INSURANCE. The Industrial Commission has two duties with respect to compensation insurance: (1) it must see that employers subject to the compensation act insure their risk unless permitted to self-insure, and (2) it must pass upon applications of employers for exemption from the obligation to insure.

The duty of ascertaining that employers subject to the act insure their risk unless exempt is one involving great difficulty. The commission should have a sufficient staff so that investigation and follow-up could constantly be carried on in order to learn of employers who have failed to insure and to make certain that insurance is procured. It is roughly estimated that perhaps 5,000 employers in Wisconsin subject to the compensation act have not provided insurance, some innocently and some intentionally violating the law. The commission has in the past to a limited extent undertaken the task of canvassing employers to make certain that insurance is carried by them when subject to the act. This is a very important service, both to employers and employes. Employers who innocently violate the law have the right to know their status and to protect themselves from large awards which may be made in case of injury to employes.

The commission's work in this field is facilitated by the statutory provision that insurance companies must be members of the Wisconsin Compensation Rating Bureau and must file reports upon all compensation policies issued, canceled or terminated. This makes it possible for the commission to see that employers who have taken out policies keep insurance in force. It also makes it possible to check lists of employers to determine which of them have failed to insure. This work involves a great amount of detail in checking records of more than 63,000 employers in Wisconsin who carry compensation insurance.

The duty of determining when employers may carry their own risk under the compensation act is equally responsible. There are approximately 165 private employers, including railroads, exempted by special order of the commission from insuring payment of compensation. In 1958 and 1959 exempted private employers had an annual payroll in excess of one billion dollars.

Under the commission's Rules of Practice the state and all of its political subdivisions and all state and national banks are exempt from insurance of their liability under the compensation act, without further order of this commission.

Exempted employers may carry excess workmen's compensation insurance without requesting permission from the commission. Many self-insurers voluntarily carry such excess insurance. However, it is important to note that excess insurance must be procured from an insurance carrier licensed by the department of insurance to transact the business of workmen's compensation insurance, and that such ex-

cess coverage must be written on the basis of rates and policy form filed with and approved by the Wisconsin Compensation Rating Bureau located in Milwaukee.

Every private employer permitted to carry his own risk must file with the commission a sworn statement of assets and liabilities indicating that he is financially so situated that he can meet any claim which might reasonably arise. New statements are called for periodically for review of qualifications. In certain instances the procuring of excess insurance, the deposit of securities, the furnishing of a guaranty bond by a surety company, or the filing of a guarantee by a parent company on behalf of its subsidiary company is required to guarantee payment of compensation benefits. Self-insurers must also measure up to or exceed legal requirements as to reporting, investigating, and paying compensation claims.

Section 102.31 of our workmen's compensation act authorizes the Industrial Commission to consent to partial or divided insurance coverage by written order where the interests of the employer and employee, public or private, will not be jeopardized.

RECEIPTS AND DISBURSEMENTS

Receipts

	1958–59	*1959–60*
General Appropriation	$ 961,710.26	$1,052,904.21
Emergency Board	6,600.00	9,450.00
Mine Inspection	7,424.00	
Fair Employment	18,112.00	36,987.00
G.I. On-The-Job	18,769.69	9,799.03
Non-lapsed Balance	10,670.79	10,141.33
Total	$1,023,286.74	$1,119,281.57

Disbursements

General	$ 965,935.81	$1,055,676.65
Mine Inspection	7,424.00	
Fair Employment	18,064.97	21,480.81
G.I. On-The-Job	18,771.29	9,844.97
	$1,010,196.07	$1,087,002.43
Lapsed (Gen. and FEPA)	2,949.34	20,503.02
Gen. and FEPA—non-lapsed	128.39	1,809.12
G.I. Non-lapsed	10.012.94	9,967.00
	13,090.67	32,279.14
Total	$1,023,286.74	$1,119,281.57

Employment Service and Unemployment Compensation

Non-lapsed Balance	$ 389,095.33	$ 477,799.22
Receipts	4,606,851.66	4,559,763.58
Disbursements	4,518,147.77	4,506,298.73
Non-lapsed Balance	477,799.22	531,264.07

PUBLICATIONS FOR DISTRIBUTION

With the passage of Chapter 221, Laws of 1955, the Revisor of Statutes now publishes the rules of the Industrial Commission and copies of administrative rules may be purchased from the Revisor of Statutes, Room 321, N. E. Capitol, Madison.

Complete rules of the Industrial Commission, including upkeep service for one year may be obtained for the sum of $22.50, annual subscription rate for upkeep service thereafter is $5.00.

An individual code, as it is effective on a given date, without upkeep service may be obtained from the Revisor of Statutes for the sum indicated below. Upkeep service for one year on any single code equals the sale price.

Following are the codes available from the Revisor of Statutes, Room 321, N. E., Capitol:

Ch 1	Safety	$ .50
Ch 2	Quarries and Pits	.50
Ch 3	Mines	.50
Ch 4	Elevator	1.00
Ch 5	Explosives	.50
Ch 6	Trench, Excavation and Tunnel Construction	.50
Ch 7	Cleaning and Dyeing	.50
Ch 8	Flammable Liquids	.50
Ch 9	Liquefied Petroleum Gases	1.00
Ch 16	Electric Fences	.50
Ch 17	School Lighting Code	.50
Ch 20	Dusts, fumes, vapors, gases	.50
Ch 21	Spray Coating	.50
Ch 22	Sanitation	.50
Ch 25	Sanitary Facilities in Railroad Terminal and Cabooses	.50
Ch 26	Railroad Employes Welfare Facilities	.50
Ch 35	Safety in Construction	.50
Ch 41	Boiler and Unfired Pressure Vessel Code	1.00
Ch 45	Refrigerating Plant Code	.50
Ch 50–57	Building Code	2.00
Ch 58	Heating, Ventilation and Air Conditioning	.50
Ch 60–64	Existing Buildings	.50
Ch 65	Fire Prevention	.50
Ch 70–77	Wages and Hours	.50
Ch 80–88	Workmen's Compensation, Apprenticeship, Fair Employment	.50
Ch 100–150	Unemployment Compensation	.50
Electrical Code Vol. I		1.00

Other pamphlets available by writing the Industrial Commission, 1 West Wilson Street, Madison, are:

APPRENTICESHIP

Apprenticeship Manual

EMPLOYMENT

The following publications are available upon request to interested persons through your nearest WSES office. Those preceded by an asterisk are available for reference only.

GENERAL

***Biennial Report**—Prepared in accordance with state law requiring a review of activities carried on by the agency. Useful to management and worker representatives, schools and libraries as reference text.

Directory—A directory listing the city, address and geographic area served by each of the 26 district WSES offices. Useful to personnel officers, employers, workers, schools, libraries, and community and state level organizations.

Your Public Employment Service—A pamphlet outlining the WSES six-point program. Lists services available through WSES offices. General, good background information on WSES functions and activities.

PROFESSIONAL PLACEMENT

***Professional & Managerial Personnel Register**—A partial listing of applicants qualified for aid seeking work in professional, managerial and technical fields. Published bi-weekly, current distribution approximately 1,800 employers. Useful to hiring officials in locating specialized personnel.

A Placement Service For Executives, Managers And Professional People—A pamphlet describing to employers and applicants the professional placement service available through the WSES.

Professional Men And Women—This Is For You—A leaflet to inform applicants and employers of the expanded professional placement network by which the employment service covers the entire U.S.

VETERANS

***Employment Services For Veterans**—Annual reports for the fiscal years 1959 and 1960 covering services to veterans in Wisconsin and the various states for these periods.

***Wisconsin Job Register**—Published monthly by veterans' employment service and distributed to county service officers, veterans' organizations, and other agencies throughout the state. Lists federal, state, city of Madison, and county of Milwaukee civil service job openings and selected job openings in private industry.

YOUTH

Here's How To Land That Job—A leaflet reviewing "Do's and Don'ts" of job-seeking, designed especially for new entrants or re-entrants into the labor market.

Job Tips For Teenagers—A leaflet containing suggestions on how to get and keep a job, includes laws and regulations pertaining to employment of minors.

Road To The Right Job—A leaflet designed primarily for new entrants into the labor market, especially for youth. Explains factors young people should consider in making job choice, useful to job-seeking graduates, school counselors, and parents.

Who's Going To Take Their Place? A leaflet directed to youth encouraging them to consider teaching as a career.

Memo To Employers—A leaflet containing facts about school supervised work-experience programs.

HANDICAPPED

Job Tips For The Handicapped—A leaflet containing suggestions to the handicapped on how to get and keep a job.

Build a Better America—A leaflet urging employment of the physically handicapped.

Mr. Employer—Remember Ability Counts—A leaflet containing testimonials from major employers who hire handicapped workers.

Manpower—A Key to Small Business Profit—A leaflet which urges small businesses to utilize handicapped workers.

***Program Guide—Jobs For The Handicapped**—A booklet published annually by the President's Committee on Employment of the Physically Handicapped as an action guide for employers, labor, public and private agencies at the community level.

OLDER WORKER

You Can Get That Job—A pamphlet containing suggestions to assist older workers in their job search.

Mr. Employer . . . Here's How You Can Get Better Results With Older Workers—A pamphlet containing suggestions to employers on making better use of older workers.

Mr. Businessman—Are You Cutting Yourself Off From One-Third Of Your Labor Supply—A leaflet portraying the advantages of hiring and retaining older workers in employment.

What Your Employment Service Is Doing About Older Workers—A leaflet describing services provided by the employment service to older job seekers.

MINORITY GROUPS

There Is More Manpower—A leaflet urging employment on the basis of qualifications, not influenced by age, sex, race, color, religion or unrelated physical limitations.

COMMUNITY DEVELOPMENT

***Basic Statements**—Detailed summary giving industrial pattern, economic characteristics and labor supply for a specific community and its trade area. The WSES has published and has available basic statements for 115 Wisconsin cities.

EMPLOYER SERVICES

Top Level Administrative Assistance—A booklet containing outline of personnel tools available to help solve problems of recruitment, hiring, absenteeism, turnover, useful to large and small employers interested in improving personnel processes.

Matching Job And Worker Through Aptitude Tests—A pictorial booklet describing the testing devices used by WSES to select qualified workers. Lists the type of tests available, occupations covered, and advantages of hiring test-selected workers. Useful to personnel directors, school counselors, and hiring officials.

***Reference Manual For In-Plant Manpower Planning**—A manual which describes actions that can be taken by employers to make more effective use of their workers.

***Training And Reference Manual For Job Analysis**—A Manual Designed for general use in planning and carrying out a job analysis program.

***Guide For Analyzing Jobs**—A pocket-sized workbook to help the job analyst determine the what, how, why and skills involved in a job.

***Industrial Job Evaluation Systems**—A booklet of value to personnel management staff as a guide to the basic principles of job evaluation.

***Suggestions For Control Of Turnover And Absenteeism**—A booklet which provides employers with practical methods for reduction of labor turnover and absenteeism.

***Industrial Services Handbook**—A comprehensive handbook which provides reference to major types of employer personnel problems with suggestions of remedial action which can be taken to solve specific problems.

***Employer Relations Sales Kit**—A set of visual aids designed to illustrate the various activities and operations of the Wisconsin State Employment Service. Can be used to explain specific ways by which the WSES can be of assistance to employers.

JOB AND EDUCATIONAL INFORMATION

***Directory of Wisconsin Educational Facilities**—An informational bulletin about educational and training opportunities in Wisconsin. Contains an occupational index showing where training may be secured for more than 100 fields of work, and fact sheets on colleges, vocational schools and other training institutions in the state.

***Job Guide For Young Workers**—A booklet describing entry occupations suitable for youth.

***Occupational Outlook Handbook**—A 700 page book describing, giving the employment outlook, and listing qualifications required in over 500 occupations.

***Dictionary of Occupational Titles—Volumes I and II and Supplement No. 1**—Define and classify about 24,000 jobs in United States industry, trades, services, professions, crafts and agriculture.

***Dictionary of Occupational Titles—Part IV**—Aids in classifying workers who have no work experience or who are are not fully trained for a specific job.

***Volume and Individual Job Descriptions**—Provide job information about a variety of jobs in major U.S. industries. Usable by personnel workers, counselors, and teachers concerned with selection, training and job classification.

Apprenticeship Training—An Investment In Your Future—A leaflet briefly describing occupations which are apprenticeable and how one goes about getting into apprenticeship training in Wisconsin.

***Worker Trait Requirements For 4,000 Jobs**—Provides estimates of worker trait requirements such as interest, temperament, aptitude, training time and physical capacity for a sampling of 4,000 jobs in the American economy.

LABOR MARKET INFORMATION

***Labor Market Letters**—Published bi-monthly by 18 district WSES offices and covering 18 designated labor market areas. Letters analyze employment trends, supply-demand situation, and outlook. Is mailed to production planners, government agencies, business administration instructors, banks and personnel people. Released to public information media in area. A summary of employment trends in the 18 areas is also published bi-monthly and is of value to multi-area employers, statewide associations, government agencies, economists and organized worker groups.

***Labor Force Estimates**—Released monthly to publicity media covering current estimates of total labor force, farm and nonfarm employment, and total unemployment in the State. Labor force estimates are also made for the Milwaukee, Madison, Racine and Kenosha standard metropolitan statistical areas.

Wisconsin Manpower Outlook—A series of special studies covering labor needs and training resources in selected occupations in specific Wisconsin areas. To date separate studies are available covering Racine county (1957-1962), Milwaukee county (1958-1963), Brown county (1959-1965), Marathon county (1959-1965) and Manitowoc-Calumet counties (1959-1965).

***Manpower—Challenge of The 1960's**—A booklet containing 17 charts describing the manpower outlook in the state of Wisconsin for the next decade. Provides a comparison of trends in population growth, occupational and age distribution of the work force, and industrial patterns between the state and the nation.

Highlights From Manpower Challenge of the 60's—A booklet containing charts and narrative describing the manpower outlook for the next decade on a nationwide basis.

***Manpower Resources of Price County, Wisconsin**—A mimeographed report containing tables and a narrative summary of the manpower potential of Price county as studied during the 1959-1960 period.

***La Crosse Reemployment Study**—A mimeographed report covering the social and economic effects of the closing of the Electric Auto-Lite Co. plant in La Crosse affecting more than 1,300 workers.

AGRICULTURE AND SEASONAL FOOD PROCESSING

Wisconsin's Seasonal Farm Labor Needs—A leaflet to inform seasonal agricultural workers and employers of labor needs in various crop areas. Lists type of worker needed, type of crop and peak time, and housing accommodations.

***Wisconsin Post Season Farm Labor Report**—Reports for the 1959 and 1960 agriculture seasons cover recruitment efforts made by the WSES to staff farm activities with local, migrant and foreign workers as the situation demands.

***Migratory Labor in Wisconsin Agriculture**—Reports for the 1959 and 1960 agriculture seasons cover all of the actions required by the WSES to bring into Wisconsin the migratory workers necessary to handle crop activities not taken care of by local labor.

***Labor Management on the Farm**—A booklet which provides practical suggestions to agricultural employers for the improvement of labor relations on their farms.

***Information Concerning Entry of Mexican Agricultural Workers Into The U.S.**—A comprehensive booklet outlining details of the migrant labor agreement between the U.S. and Mexico for the importation of Mexican Nationals.

For Employers of Contracted Mexican Workers—An outline of the employer's obligations when contracting Mexican National workers.

Migrant Farm Labor Information Station—A leaflet describing services and facilities available at the Wautoma, Wisconsin migrant labor information station.

Quia De Trabajos Agricolas En El Estado De Wisconsin—A leaflet in spanish describing to migrants the various seasonal agriculture jobs available in Wisconsin.

Quia De Trabajos Agricolas Desde El Gulfo A Los Grandes Lagos—A leaflet in spanish describing to migrants the various seasonal agriculture jobs available from the Gulf of Mexico to the Great Lakes.

***Motor Carrier Safety Regulations**—A booklet detailing transportation safety regulations applicable to carriers of migrant workers by motor vehicle.

To Drivers and Owners of Motor Vehicles Transporting Migratory Farm Workers—A leaflet briefly outlining federal regulations for the interstate transportation of migrant workers.

***Brochures**—Two booklets, illustrated—"The Cherry Industry in Door County" and "Your Job in the Corn Canning Industry". These booklets present a pictorial work description of jobs common to these seasonal activities. They cover field, plant, and warehouse operations and describe housing, wages, hours, and meals.

Fiyers—Three illustrated flyers giving information concerning the seasonal agricultural jobs of cherry picker, pea pitcher and pickle picker in Wisconsin.

WAGE COLLECTION

Wage Law—Payment and Collection.

WOMAN AND CHILD LABOR

Child Labor Law, 1958.

Regulations of Employment Agents in Wisconsin, 1958.

Street Trades Law. (Mimeographed 1960.)

Women's Hours of Labor Law. (Mimeographed 1960.)

Wage Regulations for Minors and Adult Women, 1960.

Special Orders Relating to Hours of Labor and Minimum Wage Rates for Women and Minor Employes in Factories Engaged in Canning or First Processing Perishable Fresh Fruits and Vegetables, Including Peas.

WORKMEN'S COMPENSATION

Workmen's Compensation Act, with 1959 Amendments.

19th, 20th, 21st, 22nd, 24th, 25th, 26th, 27th, 28th, 29th and 30th Reports on Administration of Workmen's Compensation Act.

Rules for Determining Loss of Visual Efficiency under the Wisconsin Workmen's Compensation Act, January, 1941.

Wisconsin Physical Examination Program, 1939.

Facts about Workmen's Compensation Law, 1959.

UNEMPLOYMENT COMPENSATION

Text of Wisconsin's Unemployment Compensation Act.

Wisconsin Administrative Code—Rules of the Industrial Commission on Unemployment Compensation.

Unemployment Compensation in Wisconsin, (reprints from prior Biennial Reports).

Contribution Instructions for Employers.

Instructions on Benefit Notices and Reports (UC–201).

Claiming Unemployment Benefits under Wisconsin's U. C. Law.

Wisconsin U. C. Digest, 1952 and Supplement, 1957—interpreting Wisconsin's U. C. Law. (Price $1.00; order from U. C. Dept.)

FAIR EMPLOYMENT

Fair Employment Act.

Non-discriminatory Contracts.

STATISTICAL

Checklist of periodic Workmen's Compensation statistical releases.

Prevailing wage rate law for state contract *highway* construction work—Section 103.49.

Prevailing wage rate law for state contract *highway* construction work—Section 103.50.

Other related public works laws on wage rates and hours of labor—Sections 66.293, 103.41, 103.42.

Annual certification of prevailing highway construction wage rates and truck rental rates.

Annual Child Labor and Street Trades Permits statistical reports.

DIRECTORY

General Offices—State Office Building, One W. Wilson St., Madison 2, Wisconsin; 794 N. Jefferson St., Milwaukee 2, Wisconsin

Employment Service, Administrative Office—105 S. Blair St., Madison 3, Wisconsin

Fair Employment Practices—Room 3190 Plankinton Building, 634 N. 2nd St., Milwaukee, Wisconsin

Statistical Division—137 E. Wilson St., Madison 3, Wisconsin

Unemployment Compensation—137 E. Wilson St., Madison 3, Wisconsin

Administration

M. F. Schimenz, Chairman

R. G. Knutson, Commissioner

J. H. Rouse, Commissioner

Helen E. Gill, Secretary

Apprenticeship—Charles Nye, Director

Employment Service—Austin T. Rose, Director

Fair Employment—Virginia Huebner, Director—Milwaukee

Industrial Safety and Buildings—Roger Ostrem, Director

Statistical Division—Henry Gmeinder, Chief Statistician

Unemployment Compensation—Paul A. Raushenbush, Director

Wage Claims—Louis Kische, Law Examiner—Milwaukee

Woman and Child Labor—Douglas Ajer, Director

Workmen's Compensation—Ralph E. Gintz Director

57.1.

SYMPOSIUM ON WORKMEN'S COMPENSATION IN A DYNAMIC SOCIETY

UNIVERSITY OF WISCONSIN

PAPER GIVEN BY

Harold W. Story - former Vice President

and General Attorney of Allis-Chalmers Mfg. Co.

May 9, 1961 at 9:20 A.M.

Wisconsin Center Building

IMPRESSIONS OF THE ADMINISTRATION AND DEVELOPMENT OF THE WISCONSIN WORKMEN'S COMPENSATION ACT

The subject assigned to me is, "Impressions of the Administration and Development of the Wisconsin Workmen's Compensation Act."

My experience in that area began with my employment in 1919 by my industrial alma mater - Allis-Chalmers Manufacturing Company.

So I will attempt to give my impressions, gathered from various sources, concerning the situation prior to 1911, which led up to the enactment of the Workmen's Compensation Act, and the highlights of the administration and development of the Act after 1919, based upon personal observations.

The Situation Before the Act

In the period of industrial activity before 1911, it appeared that bodily injury was a normal incident of manufacturing operations. Since the safety movement was in its infancy, the incidence of the disabling injury and resulting wage loss was unnecessarily extensive. Since there was no practical way for the worker to gain insurance protection, he was obliged to seek redress from the courts.

Unfortunately, the courts apparently were forced to follow what appeared to be the only available theory of employer liability, namely tort action for employer's negligence in causing the employe's injury.

But the courts allowed the employer to have the defenses of contributory negligence, the fellow servant doctrine, and assumption of risk. Able defense counsel made recovery so difficult that meager settlements were the rule. The result was a lowering of the standard of living of workers unfortunate enough to sustain industrial injury.

The situation became so socially intolerable that in the 1909 legislature Mr. Theodore W. Brazeau, an outstanding Wisconsin attorney, introduced Bill No. 189 S to establish a Workman Compensation Act. The bill did not pass but in the next legislature (1911) our revered Supreme Court Justice, E. T. Fairchild, introduced Bill 486 S which, upon passage, established our Workmen's Compensation Act.

Initially there had been the natural reluctance on the part of employers to assume the unknown cost of a new law which charged them with financial responsibility for injuries to employes which occurred without the employers fault. But once the law was in operation they assisted wholeheartedly in making the Act an instrumentality for social and economic betterment.

It is noteworthy that Wisconsin was one of the first states to pass such a law, and also that the step was taken in the face of the Act's possible unconstitutionality under the 14th Amendment to the United States Constitution.

To avoid that possibility, the acceptance of the Act by individual employers was put upon a voluntary basis - "voluntary" under the persuasion of the withdrawal of such important defenses as assumption of risk and fellow-servant doctrine. In 1917 a U. S. Supreme Court decision removed any question of constitutionality.

Participation of Various Groups in the Administration and Development of the Act

So much for events leading to the passage of the Workmen's Compensation Act. Now let's take a look at the cooperative character of its administration and the highlights of its constructive development over the past 50 years.

The statement often has been made, concerning legislation like the Workmen's Compensation Act, that the law is the skeleton and its administration the flesh and blood.

The Wisconsin Act was sound in its basic framework, and its administration by cooperating groups provided the healthy body necessary for its sturdy growth in the years to follow.

Five distinct groups, working in close cooperation, played important roles in the constructive administration and development of the Act. Those groups were:

(1) The official family of the Commission

(2) The Advisory Committee

(3) The medical profession

(4) Employer groups which created and applied safety programs

(5) Executives of employers and insurance companies throughout the state who lent their support to the Commission and their representatives on the Advisory Committee and in the Wisconsin Manufacturers Association in the application and development of the Act.

The Official Family of the Commission

The official family of the Commission comprises:

(1) The commissioners (3)

(2) The Director of Workmen's Compensation

(3) The Secretary

(4) The hearing examiners.

Necessarily the Commissioners had the most important function of the family because their attitudes and decisions established the tone and direction of the administration of the Act.

As Commissioners they should

(1) Establish the general administrative procedures for the agency;

(2) Apply the Act in the legal aspects in order to effectuate legislative intent;

(3) Establish a philosophy of administration which is a combination of humanitarian fairness and judicial correctness.

They should have the quality of leadership which convinces the Advisory Committee of the soundness of their views on (1) proposed legislative changes in the Act and (2) any difficult problem which affects the employer and employe.

They should have a Dale Carnegie "selling" approach to all cooperating groups.

They should have the intellectual integrity so vitally necessary to administrative leadership.

They should be able to communicate to their hearing examiners the philosophy of humanitarian fairness and judicial correctness because the examiners, by their decisions, actually make the factual determinations which form the basis for cash awards.

The Commissioners have met the above exacting requirements over the years. And the hearing examiners as a group have performed splendidly in carrying out their difficult task[3]. As a matter of fact their integrity and efficiency has been so generally recognized that not infrequently defense counsel have requested the examiner to conduct a hearing in his absence.

The Wisconsin Act and its administration have gained the respect and admiration of the nation. For this, great credit is due the members of the official family of the Commission who have given dedicated service. Among those the following names readily come to mind:

Commissioners

J. D. Beck, Charles H. Crownhart, John R. Commons, Fred M. Wilcox, George Hambrecht, R. G. Knutson, L. A. Tarrell, and Voyta Wrabetz (whose splendid service for many years was a powerful guiding influence);

Secretaries

Arthur J. Altmeyer and Edwin E. Witte;

Director of Compensation

Harry Nelson

Hearing Examiners

Alfred Flint, Gust P. Hof, Joseph I. Martin, Frank T. McCormick, Earle H. Pottinger and Levi B. Retelle

The Advisory Committee

The second participating group is the Advisory Committee of the Commission established in 1920. Its membership comprises (a) the Commissioners (3) (b) Employers

representatives (5) (c) Employe representatives (5) (d) Insurance company representatives (3) (advisory without vote) and (e) a legal advisor - an Assistant General Attorney.

The work of this group has shaped the development of the Act over the years. Important questions of administration and policy have been referred to it by the Commission for discussion and recommendation. But its major function has been to consider and recommend legislative changes in the Act usually in the form of benefit liberalization of some kind.

In a sense the Advisory Committee functions like a labor negotiating group. Employer and employee representatives made suggestions and counter suggestions; the Commission acts as an aggressive mediator; and the insurance representatives furnish the valuable technical and practical advice based on their experience in the insurance phase of the Act.

The recommendations presented to the legislature are in the form of proposed "agreed" bills. This procedure has produced sound legislative changes in the Act with a minimum of time expended by important committees of the legislation.

My recollection brings back the impression of congenial association with members of the Advisory Committee particularly those who functioned in the early stages of the Act. They were fine men capable of discussing with objectivity, difficult problems to the point of agreement. So, it is a pleasure to give credit to the following individuals who have given dedicated service on the Committee for many years.

<u>Employer representatives included:</u>

Fred M. Clausen (Deere & Co.), Colonel H. J. Mellum (Nash Motors), William E. Brown and B. A. Krawczyk (Allis-Chalmers), George F. Kull and his successor, Robert Ewens (Executive Director of the Wisconsin Manufacturers Association).

<u>Employe representatives included the following prominent union officials:</u>

J. F. Friedrick, Henry Ohl, Jr., John Handley, Fred E. Gastrow and George Haberman.

Insurance representatives included:

Ben Kuechle, one of the original members of the Committee; and

Legal Advisor:

Mortimer J. Levitan (who did yeoman service)

Medical Profession

The third cooperating group comprises members of the medical profession who specialized in cases covered by the Act. They constitute the backbone of the administration of the Act.

Their opinions determined (1) the length of temporary disability and (2) the percentage of permanent and partial disability; in other words, the amount of money to which a claimant is entitled for a given injury.

Their professional skill and experience have determined the existence of occupational disease, such as silicosis and loss of hearing, and its cure and suggestion for its prevention.

The group has a tremendous record for accuracy and professional integrity in rendering their decisions. A few doctors did not attain that level. With keen perception this Commission made short shrift of them.

With apologies for omissions, I wish to pay tribute to doctors who I recollect as outstanding in the group. They include:

Dr. Meyer Fox (Otologist)
Dr. Alfred Gray (silicosis)
Dr. Elston L. Belknap (Lead poisoning)
Dr. Herman C. Schumm (Orthopedic)
Dr. Frederick J. Gaenslen (Orthopedic)
Dr. Chester C. Schneider (Orthopedic)
Dr. Claude Beebe (Eye)
Dr. William E. Grove (Ear)
Dr. Thomas L. Tolan (Ear)
Dr. Wilbur Le Cron (General surgery)
Dr. Andrew J. Weber (General surgery)
Dr. John L. Garvey (Neurology)
Dr. C. C. Messmer (Eye)

Those of us who have retained doctors as consultants and witnesses in compensation cases are deeply grateful for the quality of their service.

Safety Groups

The fourth cooperating group comprised the individuals representing employers, insurance companies and other organizations dedicated to promoting safety in industry in Wisconsin.

The Act was the father of the extensive safety movement in Wisconsin. It added to the stimulus of humanitarian concern, the stimulus of self-interest in preventing pecunary loss through the payment of compensation for preventable injuries and loss of the valuable services of employes. They formed a potent combination.

Under the guiding influence of the Commission in setting up safety standards, this group created and promoted intensive safety programs for their employers and clients and for such organizations as the Wisconsin Safety Council with its 33 chapters.

The Wisconsin Manufacturers Association and the insurance groups made important contributions to the safety movement.

The Supporting Groups

The fifth group comprises executives of employer and insurance companies who have given strong support to the sound administration and development of the Act.

Directly and through their representatives functioning in cooperating groups they have given wholeheartedly their moral and financial support. I am sure that the official family of the Commission would be the first to acknowledge the significance of the contribution of this group.

Typical of this large group of farseeing industrialists who gave powerful support to the constructive administration and development of the Act were men like General Otto H. Falk, F. J. Sensenbrenner, D. Clark Everest, Harold S. Falk, and Joseph Conway.

Milestones of the Act

Now let's take a loot at a few of the important milestones in the operation and development of the Act.

In a way each session of the legislature provided a milestone in the pattern of development of the Act. But there are three milestones which made a lasting impression on me, namely the occupational disease amendment in 1919 and the resulting problem of silicosis and of loss of hearing due to continual exposure to noise.

The Silicosis Problem

When our company was confronted in 1930 with the possibility of large compensation payments because of silicosis, quick action was taken to determine the true potential of liability and to work out preventive measures to eliminate the hazard.

The best available medical advice was obtained to determine the dust concentration which could produce silicosis. (Dr. Alfred Gray gave invaluable assistance.) In our foundry - an obvious dust hazard - an intensive treatment of vacuum cleaning of walls, windows, and metal girders was carried out. Then all dust-catching surfaces were covered with a smooth surface aluminum paint.

Testing techniques were used to determine dust count in the air in all dusty areas. Changes in manufacturing operations were made wherever possible to eliminate dust hazards.

Safety devices such as respirators were supplied when the dust hazard could not be eliminated immediately.

A system of X-Ray examinations was installed to determine the presence of silicosis so that transfer and treatment could be provided.

As a result of the intensive safety program, silicosis is no longer a serious threat.

This experience demonstrated that an intensive program of prevention can and will be effective whenever a new occupational disease problem arises.

Loss of Hearing Due to Noise

Our next big problem of occupational disease was loss of hearing due to continual exposure to noise over a period.

Thanks to Drs. T. L. Tolan and W. E. Grove, Allis-Chalmers was ready for the situation which resulted from the decision in the Green Bay Drop Forge case in 1952. Here is the sequence.

In 1948, Drs. Tolan and Grove approached Allis-Chalmers with the request to work with them in connection with research being conducted by Dr. Grove and the AAOO on noise - its measurement and effect on hearing.

The research later disclosed that noise caused loss of hearing first in the higher pitches and later in the lower pitches involved in the conversational area of communication.

In 1950 a safety program was created whereby noise was abated in areas of hazard and pre-employment audio-metric examinations made.

In June 1952 an intensive program had been worked out covering (1) retesting all locations producing noise hazards (2) abatement of dangerous noise where possible (3) an examination of employes in noisy areas and transfer, if necessary, (4) pre-employment audio-metric examinations and (5) use of hearing devices where noise could not be abated.

In August 1952 a meeting of interested groups was called by the Wisconsin Manufacturers Association at which the Allis-Chalmers program was explained (by Mr. M. F. Biancardi) and scientific data obtained from the AAOO. All of the data provided by the AAOO assisted in changing the Act to a more realistic basis.

Once again the "cooperating groups" worked out a sound solution of a new occupational disease.

The New Frontier

The trend seems rather clearly outlined of an intention to charge to the employer as occupational diseases bodily ailments which in the past did not

seem to have any causal relationship with the employment.

The underlying thought seems to be to transform the Act into a kind of health insurance vehicle. This would be accomplished through the simple device of creating a legal presumption of causal relationship where evidence of such relationship cannot be medically proved.

The unfairness of the procedure is obvious. There is a sound sociological and humanitarian basis for the assertion that industry should, under the Act, bear the expense provable occupational disease but should not be expected to provide health insurance benefits in accordance with the benefit provisions of the Act.

The Medical profession has the key to the prevention of such unfairness under this Act.

Proof of Soundness of Wisconsin Act and its Administration

In a comprehensive article in the May 4 issue of The Wall Street Journal concerning Workmen's Compensation Acts, there appeared the following adverse comments concerning various state acts:

(1) High cost due to large awards for slight disfigurement without potential wage loss;

(2) High cost due to dishonesty of doctors in fostering malingering;

(3) Cutting off benefits for the totally disabled after a relatively short period;

(4) Low weekly benefit rates (1961 "Agreed" bill provides for a $60.00 rate);

(5) Failure to balance major schedules with comprehensive rehabilitation programs (as in Ontario); and

(6) Transforming a "compensation" act into a health insurance plan by granting benefits where no causal relationship exists between the condition of the claimant and his employment.

When I finished this article I suddenly realized that not one of the above criticisms applies to our Act or its administration.

The answer to this question "How Come?" is obvious. It is the intellectually honest administration and far-seeing development of our Act over the years under the combined influence of the five cooperating groups.

Conclusion

The Wisconsin Compensation Act has been a vitally important social and economic force for the past 50 years.

By and large it has been honestly and capably administered and developed because of the outstanding character of the Commission and its staff which has stimulated the effective participation of the other cooperating groups.

An essential factor in this result is the continuity of tenure of key men without interruption through partisan politics.

Let us hope that the next 50 years will repeat the record of non-partisan statesmanlike achievement of the past half century.

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SYMPOSIUM ON WORKMEN'S COMPENSATION IN A DYNAMIC SOCIETY

UNIVERSITY OF WISCONSIN

Summary of Paper Given by

Carl N. Jacobs, Chairman of the Board

Hardware Mutuals

On May 9, 1961, at 9:20 A. M.

Wisconsin Center Building

Workmen's Compensation - An Evolving Concept

Implementing the Workmen's Compensation Law

For Small Business Concerns

Forty-seven years ago we used a new idea -- workmen's compensation -- as springboard to a new company.

Today it is known as Hardware Mutual Casualty Company.

But, had there been 400 Wisconsin hardware stores who wished to purchase workmen's compensation insurance in 1914, Hardware Mutuals might well be a small trade mutual today. Instead its premiums were $104,000,000 last year.

Three years after the 1911 Workmen's Compensation law became effective in Wisconsin, I was working for the Hardware Dealers Mutual Fire Insurance Company. The firm was an adolescent of 11 years, protecting hardware stores against fire loss and selling less than $170,000 in premiums annually. My father was secretary of that small firm.

Several substantial hardware stores said to us, "Why can't we protect ourselves -- and our employes -- with this new workmen's compensation insurance?" The answer, of course, was that the law forbade writing that coverage in the fire company.

Which left one alternative: Start another company to give those hardware stores this protection. The customer was far different from what you see today. A hardware store in 1914 was a dark, dusty, grimy catch-all for several trades. Out front on the sidewalk was an obstacle course of plows, rolls of wire and farm tools. In the loft you found a tinshop where utensils were repaired or roofing materials prepared. The shop itself was walled by shelves reaching to the ceiling with ladders hooked to rails for clerks to climb.

My first job in this company yet unborn was as underwriter and sales manager. We needed 400 applications for insurance to qualify for a license in Wisconsin. On the road went five salesmen, armed with only our fire company's record of paying 50% dividends since 1908.

Along with the signed application from the hardware store owner, we would get a sight draft for the premium. But we ran out of hardware stores before 400 risks were signed up.

It was then we went outside the hardware store business for the first time. Main street business -- the drug store, dry goods store, grocery store -- was our target. Our fire company's 50% dividend record impressed these businessmen too.

On August 13, 1914, sight drafts for $18,000 were deposited in the bank. Two days later we had a license to do business.

We began as specialists in the small company field. But small business casualty selling -- and service -- was a problem unto itself.

For instance -- the handling and recording of workmen's compensation claims in the small business office in those days was an orphaned task. "Let Joe do it," seemed to be the 1914 attitude. And "Joe" was usually too busy selling a cross saw or working as a tinsmith.

An injured employe would be sent to the doctor. The store owner expected the doctor to report the claim; the physician felt it the owner's responsibility. Often a month would pass before we even heard of the injury.

We have had 47 years of hard sell convincing the small businessman to report a claim immediately following the accident. But we have succeeded. Today we take pride in being high on the list in the recording of prompt payment of W. C. claims.

Prompt reporting of claims was but one of the trials in servicing small business. Accident prevention was another. In 1914 the hardware store employe was target for a multitude of injuries because of the service work performed. He might work as a tinsmith, subject to serious cuts. Or he might be climbing about on a 30 degree slope, roofing a factory.

His job description was ambiguous, to say the least.

How them to arrive at the correct job classification? The employe might clerk for an hour, then go upstairs to solder a teakettle and finally jump on a bicycle to deliver it to the customer.

As underwriting and sales manager, it was my job to figure out how to classify the work, then show the salesmen how to do it in each store. They would work with the employer figuring out the time each employe spent at each type of work.

With the resulting percentage figures, we could arrive at a premium.

Simple loss prevention devices -- such as safety glasses, machine guards, safety shoes and proper handling of materials -- were not in general small business use then. The small firm owner had not been taught the value of keeping his employe on the job by protecting him against occupational injury. So we had two selling jobs: First the policy, then the on-the-job protections.

Through the years the employer and employe, working with the insurance companies and National Safety Council, have made splendid progress in the use of these items for accident prevention.

In fact, an even greater progress has been made by employers and by the insurance companies: We have changed the entire concept of workmen's compensation. In the beginning it was designed to compensate an injured worker for lost time. Now there is a constructive philosophy. All efforts are aimed at rehabilitating the workman, returning him quickly to his job and his family.

On August 22, 1914 -- nine days after we had deposited the $18,000 in sight drafts at the bank -- claim No. 1 arrived at our office. A young man employed by the J. J. Koepsell Hardware Company, Sheboygan, Wisconsin, had suffered a severe hand cut. We did not threaten our surplus by paying the $4.50 medical claim.

But a few months later a near disaster! The telegram from Ashland, Wisconsin, read: "Man employed Dopp and Watson fell off roof. Skull fractured. Dead. Lived 30 minutes. Is inquest necessary?"

The only inquest necessary, we felt, would be the one concerning the death of a small casualty company in Stevens Point, Wisconsin: Hardware Mutuals.

The stipulated death benefit was $3600. At that moment our surplus was $2,811.05. Although assets totaled $12,549.26, we had to charge reserves against this.

Paying the full $3600 and staying in business, too, was a juggler's trick. We searched for answers and hit on the idea of buying an annuity policy based on the present value of the award, which was around $2700. Therefore, the liability could be satisfied at a current cost of around $2700 to the company.

Having a momentary $100 surplus wasn't exactly confidence building, but we were still in business.

Although the Workmen's Compensation law in Wisconsin was effective May 3, 1911, it was elective. This made it possible for us to select a date like September 1 to have policies effective because in the main we sold risks not previously insured. However, this created a problem for us in those early days. Writing, renewing and auditing policies in August, September, and Ocotber, our office force was about as busy as Christmas season in a department store.

But they rose to the occasion -- all three of us.

Our 33-1/3% dividend, dramatizing the redundancy of rates, was, again, our best sales aid. Today that dividend has been reduced to 15% for large W. C. risks and to 5% for risks with premiums of less than $250.

Bookkeeping in the small business was another stumbling block in servicing workmen's compensation risks. Our auditor would go into the shop on a payroll audit. The owner or manager would say he had no records. Perhaps if we were lucky there would be check stubs. But more often he would tell us that he just paid his people out of the till every Saturday night.

Fortunately -- or unfortunately -- passage of the federal income tax law in 1913, after several years forced the shopkeeper to systemize his record keeping and eased our auditing problems.

One name in the insurance industry recurs, and I wish to give him the credit due. The late Walter G. Cowles, Vice President, Travelers, deserves his recognition as the "Grand Old Man" in Workmen's Compensation insurance.

He saw the hodge podge that was being created. Each insurance firm had its own policy with separate endorsement pages. Standardization was lacking, making it difficult for the policy holders -- or the companies -- to compare protection, exclusions, and rates.

Mr. Cowles put all companies writing workmen's compensation on his mailing list. As a state accepted his policy, he had a copy sent to each of us. He was providing a service later performed by the bureaus.

For a small firm like ours, just beginning to seek business in new states, Mr. Cowles did a great favor.

Like Topsy, our Casualty Company grew -- largely because Workmen's Compensation was helping it grow. With this entry into small business firms, we could look around for more of their business to write. In the beginning we insured many teams against liability. Soon we were even brave enough to chase a little horseless carriage business.

Gradually the collateral business outweighed the workmen's compensation premiums in our risks. Individual auto, fire, business interruption, general liability and other protections were easier to sell after we had given good service and dividend payments to the workmen's compensation insured. Today workmen's compensation, with a $16-million premium volume, represents only 15% of the business done by Hardware Mutuals.

For 38 years -- until Mississippi in 1949 became the last state to enact a Workmen's Compensation law -- we could depend on expanding our casualty business in any state where workmen's compensation became a compulsory coverage.

We noticed in 1931, when the coverage became compulsory by law in Wisconsin, that the small-businessman took a renewed interest in our offerings. No longer did we have to sell him on the "need" and "social value" of this insurance.

I do know this: The trials of starting a Casualty Company to sell that new insurance back in 1914 will never be forgotten. The 400 original policies have now grown to approximately 38,000 Workmen's Compensation policyholders.

Indeed, Hardware Mutuals has become a big company in a large part because we specialized in writing workmen's compensation insurance for small companies.

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SYMPOSIUM ON WORKMEN'S COMPENSATION IN A DYNAMIC SOCIETY

UNIVERSITY OF WISCONSIN

Summary of Paper Given by

George F. Reall, General Manager

National Council on Compensation Insurance

On May 9, 1961, at 1:30 P. M.

Wisconsin Center Building

Workmen's Compensation - An Evolving Concept

Benefits, Coverages and Costs -

Role of the National Council on Compensation Insurance

The National Council on Compensation Insurance is a voluntary, non-profit, unincorporated association of insurers. As set forth in its Constitution, the objects of the Council, to the extent permitted by law, are to collect and analyze statistical and other data for the purpose of developing classifications of risks, rules, rates, rating plans, and policy forms, all with respect to workmen's compensation and employers' liability insurance. Such is the functional purpose underlying the creation of my organization.

But there are other objectives set forth which relate to the manner in which such purposes are to be carried out, and in the last analysis the most important of these is the following: "To contribute to the public welfare by helping to achieve a high degree of success in the attainment of the social aims and advantages of the workmen's compensation system." Since the symposium at which this paper is presented is very much in the nature of an assessment of the various efforts which have given us the workmen's compensation system in the condition in which it exists today, it would seem appropriate in this case to review what a national rating organization such as the Council has done, particularly in the light of its avowed purpose to contribute to the public welfare.

The topic to which this paper must be responsive is "Benifits, Coverages, and Costs". Due to the basic limitation upon our activities as suggested in the previous paragraph, the National Council is not qualified to address itself to what are perhaps the most popular considerations suggested by the terms "benefits" and "coverages". We have no standing to comment critically on the quantity and quality of the benefits provided the injured workman under the laws of the various states. In this area our only interest is assessing any changes made in the benefit provisions of the workmen's compensation law in terms of premium effect. More will be said about this below. "Coverage" is used usually in the sense of the number of employees within the application of workmen's compensation laws, and the extent to which they are so subject. Once again, this is an area which is outside of the scope of our activities and concern. However, since part of our responsibilities is the development of policy forms and endorsements, and development of programs of insurance with respect to employers' liability, we consequently are directly concerned with coverage, but from the standpoint primarily of the employer's obligation arising from the employer-employee relationship. With respect to "costs" we should be, and we feel we are, qualified to review the programs which have been developed and the problems encountered, in our major role of ratemakers for workmen's compensation insurance.

Benefits

One of the most important activities of the National Council is the analyzing of new legislation affecting the workmen's compensation benefits provided under the laws of the several states. The work done

in this area has important consequences both before and after the enactment of benefit legislation. While a particular bill is pending, or possibly before it is introduced, there may be several requests in any one state addressed to the council for the impact of the contemplated benefit changes upon rates. Such a request may be addressed to us by an association of employers, a trade union representative, or by a member of the legislature. It should be made clear at this point that the Council does not of its own motion promulgate any preliminary estimate of legislation. In other words, it maintains a detached attitude and acts as a source of helpful information on the impact of benefit change only when such information is requested from it by any party having an apparent legitimate concern with the legislation involved.

The problems we face in valuing law amendments and the solutions of these problems are felt immediately after legislation has been enacted. This flows from the fact that as of the date the legislation becomes effective an appropriate adjustment in rates is filed with Insurance Commissioner or other supervisory authority of the state concerned. Unlike filings made on the basis of loss experience which has been incurred over a period of time, here we are faced by an adjustment made necessary by the sudden change in the benefit structure underlying the loss experience.

All this accents, then, that it is most necessary for a rating organization such as the National Council to attack the problem of benefit valuation scientifically with utmost objectivity.

A prequisite to an effective evaluation of legislative proposals affecting benefits is a clear understanding of the literal significance of the legislation and the purposes sought to be accomplished thereby. It requires a great deal of painstaking and intelligent effort to identify the extent of the changes which are being introduced. The benefit provisions of most laws have a high degree of interrelation, and a thorough study of each proposal is essential to be certain that the complete effect of the legislation is measured. The job is often complicated by the fact that many requests for valuations are in terms of several alternative proposals.

Simply stated, the valuation process is as follows: First a listing is made of all types of injury including various degrees of dismemberment, and loss of use of limbs, death cases subdivided according to conditions of dependency, etc., with the relative frequency of each type. Each type of injury is then assigned a monetary value based on the existing schedule of benefits, and the values are totaled. In another column revised values are assigned based upon the proposed legislation, and a total is made. A comparison of these two totals will provide the indicated change in costs. Actually, this cost comparison is made separately for benefit changes affecting each classification of loss used in ratemaking statistics, namely, Death, Permanent Total, Major, Minor, Temporary and Medical. The over-all change is then determined by weighting according to the distribution of losses in the particular state whose law is being analyzed. Thus, if death losses in the state constitute 2% of the total, a 40% increase in death benefits will contain only 0.8% (40% x 2%) of the over-all increase.

A reliable frequency distribution of injuries by type, in sufficient detail so as to be responsive to the classification of injuries commonly found in workmen's compensation laws, is essential to the above valuation. Such a

table is the Workmen's Compensation Injury Table based upon data collected from the Council's member companies and compiled in cooperation with the National Association of Insurance Commissioners.

Many factors must be kept in mind when calculating law amendment valuations. For instance, where legislation being appraised involves an increase in the maximum weekly compensation award, it is necessary to take into consideration the fact that not all benefits payable to injured workmen are affected for some employees may not have been earning sufficient wage to entitle them to the old maximum weekly benefit. A wage distribution table, also developed in cooperation with the National Association of Insurance Commissioners, is a necessary tool for calculating the extent to which the effect of a proposed increase in weekly award is influenced by the statutory limitations on minimum and maximum weekly benefits.

The important points to note are that the benefit evaluation procedures are standard from state to state, and that they involve a minimum of subjective treatment on the part of the rating organization. This is reassuring to people interested in receiving a prompt and fair assessment of the cost of their benefit program. Selfishly, it is also of vital interest to the Council because of the problem of administration, including the necessity of introducing premium adjustments as of the effective date of the benefit change. For example, in 1959 there were 1,700 separate legislative proposals which were reviewed to ascertain if they affected compensation costs. Approximately 280 valuations were actually made to determine the affect of changes in benefits upon workmen's compensation rates. It is important, therefore, in the interest of all concerned, that there be available an efficient valuation program.

Coverage

Workmen's compensation benefits are prescribed by state law and cannot generally be amended by action of the employer of his insurance carrier. Thus, it would seem that the problem of seeing to it that the employer was fully covered with respect to his obligations under the law would be a simple one. But the proper insurance coverage of the total responsibilities of the employer in connection with injuries to his employees is considerably more involved. In the first place, business today is decidedly more interstate in character than it was many years ago with much wider use of transportation and communication facilities. Many small operations have salesmen ranging into adjoining states, to note one very common business condition today. It becomes most important therefore, that the insurance company be prepared to offer coverage co-extensive with the job-injury exposure of the employer. This is also, to no less degree, of vital interest to the employee himself. Through the workmen's compensation policy which is in common use across the country today, the task of performing this service is made materially easier than it was some years ago. The policy states that it covers the entire obligation of the employer under the workmen's compensation law of any state listed on the face of the policy. This is an unqualified engagement. Of course, purchasing insurance cannot relieve the employer from the necessity of complying with any administrative rules of the industrial commissions or other supervisory authorities in a state where he is subject to the workmen's compensation law. But from an insurance standpoint the mere entry on the policy of

the states where operations are to be conducted secures the payment of workmen's compensation benefits to injured employees as required by law.

The coverage afforded the employer does not stop at his obligations under one or more workmen's compensation laws but also extends to common-law suits brought by employees of the insured based upon job-connected injuries. Furthermore the policy does not undertake merely to indemnify after judgment rendered, but provides legal services in the handling and defense of claims against the insured as well.

It may be asked why the so-called employers' liability coverage is important, at least where the operations insured by the policy are within the scope of workmen's compensation law. A quick answer would be, it costs nothing extra unless, of course, higher limits of coverage are requested by the insured. A more scholarly response would be to indicate just a few of the areas in respect of which the employer could have an employers' liability exposure. For example, in any state having a waterfront or navigable river exposure there is always a possibility that an employee regularly employed in an operation which is clearly subject to the state law might, nevertheless, be injured under such circumstances as would bring him within the application of maritime law.

Another opportunity for the occurrence of an employers' liability claim is an injury arising in a state where there is no workmen's compensation coverage, and the employee is deemed to have the right to bring a common-law action. Another example is found in the so-called "action-over" case where the injured employee sues a third party alleging that the latter's negligence has led to the injury. The third party might implead or otherwise involve the employer in the suit on the grounds that the latter has been the one whose negligence was "primary" or "active". In some jurisdictions, this type of suit has been held not to be barred by the exclusive remedy provisions of the compensation law. On a slightly different theory, a similar type of action-over has become quite common in areas subject to the application of the United States Longshoremen's and Harbor Workers' Act.

The foregoing represents a few known opportunities for employers' liability suits which helps to explain why this coverage is included in the Standard Workmen's Compensation and Employers' Liability Policy.

There have been other programs calculated to give more complete coverage to both employer and employee. In most states it is possible to purchase Voluntary Compensation Insurance which offers the benefits of a named workmen's compensation law to employees who are not within the coverage of the law. Another instrument of coverage worthy of note is the All States Endorsement. Briefly, if the insured incurs an unanticipated workmen's compensation obligation in a jurisdiction not otherwise included in the policy coverage, the All States Endorsement engages to reimburse him for all compensation and other benefits required of him under the particular workmen's compensation law. The endorsement clearly advised the insured that it does not constitute workmen's compensation insurance as required under the law of the state, such advice being predicated on the fact that proper filings with administrative tribunals could not be made under the

circumstances. It further requires that the insured give notice to the company before or within a reasonable time after the commencement of operations in the state concerned, although the failure to give notice does not invalidate the coverage afforded by the endorsement. Once again, this instrument is offered to afford as much possible protection to the employer and employee in cases where there is an unforeseen compensation liability.

The foregoing is not exhaustive but is calculated to show the scope and complexity of the need for coverage by both employer and employee and the manner in which the insurance industry has responded to it.

Before leaving the subject of coverage a few words might be devoted to the National Council's role in the administration of assigned risk plans throughout the country. The Council, through its local administrative bureaus, operates programs in some 23 jurisdictions whereby employers unable to secure insurance through normal channels may secure coverage with a minimum of delay for their obligations under the workmen's compensation law. In actual practice the employer is "assigned" to one of the insurance carriers operating in the State. Incidentally, the choice of the word "risk" in the description of these plans might not be a fortunate one in that the term is commonly interpreted to mean "hazard". Actually, the word here refers to an insured, or applicant for insurance, and it is common in the parlance of our industry in referring to the number of "risks" in a state to mean the number of "insureds". The point is that an employer may be insured via the assigned risk plan for reasons other than a bad loss experience or a severe loss potential. It is possible for example, that the applicant's operations are located in a remote area which makes it unattractive from an underwriting point of view. It is possible that there is a tightening of the market due to a temporary rate inadequacy in the insured's occupational classification. In any event, the assigned risk plans represent an example of a competitive industry demonstrating a high degree of responsibility in solving a problem affected with a public interest.

Costs

As a national statistical and ratemaking organization the National Council has a considerable influence on the cost to the policyholder of the insurance of his obligations under the workmen's compensation law. In some 25 jurisdictions the Council makes and files workmen's compensation and employers' liability rates for the approval of supervisory authorities. In many other states it is qualified as an advisory organization and as such assists, in varying degrees, the individual companies either directly or through separate rating organizations in the development of rates and rate-making principles.

Under the circumstances one might expect that the Council would spend a considerable amount of time and effort in doing nothing more than preparing and presenting its proposals, and addressing itself to questions arising in connection therewith. This is indeed true. As a matter of fact in the states where the Council files rates on behalf of its member companies it does so on an annual basis. Every letter transmitting our proposals carries an offer to provide on-the-scene assistance in explaining anything that is not clear to the reviewing official. In addition, many conferences

are held with trade association representatives such as local manufacturers' associations, associated industries, and contractors' associations. Naturally, we have our differences of opinion' but in most instances at least, they are not so major as to create in anyone's mind a serious doubt of the proposals complying fully with the standards of the state rating law.

As to the Council's role in determining the cost of workmen's compensation insurance, I think it would be appropriate to discuss it in three stages. The first relates to the determination of how much premium will be necessary for the state as a whole to meet the losses which are expected to be incurred for the period during which the new premium level is to be applicable. The second has to do with the apportionment, or distribution, of the over-all premium among employers according to the hazards of the occupations which are the subject of insurance. The third stage relates to the further refinement of the premium otherwise charged to the policyholder after an analysis of the relative cost of handling his insurance, and an analysis of his own loss experience.

The determination of a premium for the state as a whole which is adequate to meet expected losses and expenses is actually accomplished by calculating the indicated increase, or decrease, in the existing level of manual rates. Workmen's compensation premium is itself derived from the application of so-called "manual rates" to payrolls in $100 units. Simply stated, tha actuarial technique employed is to determine the ration of the losses incurred during the experience period being used, to the premium produced by applying the current rates to payrolls developed during such period. This loss ratio is compared to the so-called "expected" or "permissible" loss ratio which is geared to produce necessary expenses, including state taxes (not federal income taxes, however) and a modest margin for profit and contingencies. By division of these two loss ratios an over-all percentage adjustment, either upwards or downwards, of every workmen's compensation manual rate in the particular state is determined. The process is simple and at one time was deemed completely adequate in the adjusting of manual rates. More will be said about this later. However, there are one or two points which should be noted in connection with the determination of this indicated change in rate level.

In the first place, in order to derive the required payrolls and other statistical information for this calculation, there must be in force an effective program of maintaining and submitting statistics which must be applicable to all companies whose data are being used. The Council's Unit Statistical Plan is such a program. It requires the reporting of the payrolls, premiums, rates, and losses developed during the term of each and every policy issued by the insurance carriers. Furthermore, such data must be reported for each state (since the rates are based exclusively on a state's own experience) and for each and every classification of occupation which is involved in the insured's business operations. Except for certain policies of very small size, such experience is reported on a yearly basis. This produces what we call "policy year" statistics. For greater accuracy of the data it is required that all losses be valued as of six months following the end of the policy term, thus giving a maturity to the claims which have arisen. Also, for each of two additional years any case which has not been finally determined as to cost must be the subject of a later report.

In the second place, since our objective is to make the rate level adjustment in terms of today's conditions, the policy year data are brought up-to-date both on the premium and loss side of the loss ratio. To do this, payrolls are extended by current manual rates, which are not necessarily those underlying the development of the premium for some of the policies included in the statistics being used. Thus, full effect is given to past rate increases, or decreases, which might not otherwise be completely reflected in the data being used. In the same fashion, all losses are adjusted to reflect the benefit provisions of the present state workmen's compensation law.

A problem in connection with policy year statistics arises because of the inescapable lag between availability of the experience and the date upon which it is proposed to introduce an adjustment in the rate level. Take policies written in the year 1959, for example. The last such policy will expire as late as December 31, 1960. Given a requirement of six months delay before the incurred losses on that particular policy are determined, and allowing necessary time for putting the statistics together in proper form for a rate filing, the earliest feasible effective date for rates based upon the statistical data for this year is approximately January 1,1962. This lag gave rise to criticism that, particularly in a fast moving economy, rate proposals were unrealistic and unreasonable, The usual attack came in the form of a claim that, since wages were on the upgrade, appreciable increments of premium were redounding to the benefit of the insurance companies and were not properly credited in the ratemaking process. On the other hand, those opposed to specific recognition of wage trends argued, and I think logically so, that there were other forces having their play during the interval between the development of policy year statistics and the effective date of the rate proposal. Specifically, two of these forces are frequency and severity of injuries.

In any event, after considerable study there was introduced in 1949 a so-called "Rate Level Adjustment Factor" which is simply and adjustment of the rate change indicated by the policy year experience based upon the collective loss experience of all companies taken from their books of account for the most recent calendar year. This data is not separable by classification of occupation, nor indeed by individual policy. However, it does give an additional and more current indication of the trend of experience and it does reflect the movement of all factors contributing to the loss ration, including wages, frequency and severity of injuries.

That the workmen's compensation ratemaking procedures which are based fundamentally upon payrolls are not "loaded" in favor of the companies as a result of wage increases is seen in the following exhibit:

% Change Over Latest Five Policy Years	
Average Weekly Wage	+17.6
Average Cost of Indemnity Case	+27.1
Average Cost of Medical Care	+33.1

It will be noted that the average cost per case has outstripped wages over the last five policy years. Regardless of the indication, however, the use of the Rate Level Adjustment Factor gives recognition to the net effect of all of these trends.

The next stage in the determination of compensation costs is to make a fair apportionment, or distribution, according to the hazard inherent in various industry operations. This is accomplished through the use of more than 650 classifications of industry for which rates are calculated each year in each state. The classification system is an ever changing one; every year some classes are combined with others, new classes are erected to take care of new industries, and old classes are dropped because industries are no longer active.

The establishment of this detailed classification system was founded upon two broad bases. The first was an apparent one, namely, a recognition of common industries for which workmen's compensation insurance policies would be issued. Thus, the need for categories covering clothing manufacturing, carpentry work and clerical office employees was acknowledged and appropriate classifications were set up. The second basis for classification erection requires knowledge of ratemaking principles and thus may not stand out as clearly as the first. It deals with the ability of a particular industry to produce a sufficient volume of workmen's compensation statistics in a jurisdiction so that the charge for insurance will reflect the hazards of this industry. Keeping in mind that classifications are a means of recognizing the differences in hazards among industries for pricing purposes, it makes no sense to classify an operation unless there is some reasonable basis to assume that the individual classification will produce rates properly related to the hazards insured.

Classifications vary in their scope; some encompass all the operations of an industry while others only cover a narrow field. The manufacturing of products generally is handled through a single class covering everything leading up to the final completion of the product. Thus, the classification applicable to automobile manufacturing contemplates the handling of the raw materials, stamping out the body parts, operation of foundries, upholstering, etc. Among contractors, however, classifications usually are established for the different types of work in which employees are engaged, the lines being drawn close to those established by trade unions. In the construction of a building, therefore, even though one contractor's employees are doing all the work, separate classifications apply to the masons, carpenters, painters, concrete men, etc.

The National Council is often asked to establish new classifications for industries which believe they can be distinguished in some way from other employers in their classification. In order to keep costs reflective of hazards we tend to resist creation of new classifications under such circumstances unless there are valid reasons to make the distinction, and unless sufficient statistical data will be produced by the new industry alone so as to result in reliable rates. To some degree, of course, a measure of judgment enters into this decision; but this is properly so. As an example, recently the National Council was requested to consider setting up a separate classification for bowling alleys which use automatic

pin spotting machines. Bowling alleys without such automatic equipment had always been a hazardous operation for workmen's compensation insurance underwriters but the advent of automatic machinery removed employees from a dangerous area. Normally, this type of change in an industry is considered evolutionary and no special attention is needed because the ratemaking method will gradually give it effect. The use of automatic pinspotters in bowling alleys, however, caused an abrupt change in the exposure to hazard and, it was the judgment of the underwriters that a new classification be established for such employments. Actually, in a few years it is unlikely that there will be any bowling alleys that are not automatically operated and it is expected that the old bowling alleys class eventually will be rescinded.

The distribution of costs among industries is firmly bound up with the classification system through a highly developed and refined ratemaking process. Careful statistics are accumulated by classification by state so that accurate data will underlie the pricing of the insurance. Next, classifications are grouped by combining all the manufacturing industries in one unit, all the contracting classes in another, and the remaining classes into a third. (This actually a part of the over-all rate level change calculation described earlier). An analysis is then made of each classification within the group to calculate a rate indicated by the classification's own experience. Tables of credibility are used to determine to what extent the indicated rate for the classification is to be followed. For example, a classification with 20% credibility will develop a rate based 20% upon its own indications and 80% upon the existing rate as modified by the policy year change in the rate level of the group to which the classification belongs.

Actually, a classification rate is determined by parts which are related to the incidence of serious losses, non-serious losses, and medical losses, respectively. The results are then combined into one rate. There are several advantages to this procedure. In the first instance, a larger volume of experience is required before full credence is given to the indicated partial rate for serious losses than is the case with respect to the rate for non-serious losses. This procedure tends to dampen the effect of shock losses upon the rate for any one classification. Secondly, it also results in a finer pricing by classification, and consequently greater equity, since it recognizes the types of losses which are more or less characteristic of the classification. Finally, it is also the basis of a more equitable allocation of cost where compensation or medical benefits are adjusted invarying degrees by legislative enactment.

The final step in the pricing process employed in workmen's compensation insurance relates to the further modification of the premium produced by the use of manual rates, based upon the characteristics of the individual insured. As indicated earlier, distinctions among individual insured are based upon the expense of handling the risk as well as a measurement of the loss producing potential of the employer.

From the expense point of view, studies have established that there is a definite graduation of expense by size of policy, and as a result the

Workmen's Compensation Manual provides for certain procedures to implement the concept. In the first place, with respect to policies producing up to $500 of premium there is a so-called Expense Constant of $10 to provide for the additional monies necessary to meet the expenses on this size of insured. At the same time, however, there is an appropriate reduction in the rates so that the net effect is to produce the same premium over-all, but to allocate a greater share of it where it is needed.

Actually, in the case of the very small policyholder, the $10 Expense Constant is recognized as inadequate, but instead of imposing an additional loading, studies were made to determine where economies in the handling of small risks could be made. Out of this desire to keep the charge on small insureds as low as possible was born a Three-Year Fixed Rate Policy Program. Under this arrangement, policies averaging $100 a year or less can be written on a three-year term basis with a fixed rate. The feature of handling these policies once every 3 years is counted upon to answer the expense problem, at least in part.

There is an equivalent in workmen's compensation of the quantity discount found in the commercial field and I am referring to the system of Premium Discounts. For a typical National Council state the following discounts are applicable with respect to non-participating stock companies:

	Premium	Discount
First	$1,000	None
Next	4,000	9.0%
Next	95,000	14.0%
Over	100,000	16.5%

As an example, an insured developing a countrywide premium of $200,000 at manual rates would actually pay a premium of $169,800. Participating (i.e. Dividend-paying) companies usually have smaller discounts because of differences in operating procedures. Premium discounts are calculated on an interstate basis so that the insured receives the benefit of the highest discount bracket applicable to him on the basis of his countrywide premium size.

"Experience rating", is a system of introducing a price distinction based upon the loss experience of the individual policy holder. Actually there are two programs to be considered. One is called the "Experience Rating Plan" and the other is referred to as "Retrospective Rating".

The Experience Rating Plan is the more basic of the two programs since it is mandatory for eligible insureds. It involves a comparison of actual losses incurred during the experience period (which is usually three years) with the losses to be expected based upon the average of the indications of the particular classification or classifications under which the policy is written. The resulting ration("experience modification") is applied as a

"credit" or a "debit" to the premium otherwise produced at manual rates. However, the application of the modification is prospective, that is, as of the next renewal date of the policy.

The Experience Rating Plan represents another contribution to the equidy of the over-all workmen's compensation pricing program by its recognition of individual risk loss characteristics. But it is also a most valuable bridge between the concepts of insurance as a business, and as a stimulation of concern for human welfare since it provides a real and immediate incentive for safety-mindedness.

In the rating process every loss is split into a primary and an excess part; from the smallest eligible insured where no excess loss enters into the calculation of the rating, to the largest insured where all of the loss is a factor in the rating, an increasing amount of the excess loss is considered. All primary loss, of course, enters the rating. This procedure recognizes that, in general, an insured with a multitude of small losses is inherently a worse risk than one of the same size which involves a single claim, even though the dollar loss is the same. Since the emphasis is thus on the frequency of accidents rather than on the cost of any one accident, which might be unavoidable, the safety incentive is present even in the smaller premium sizes of experience rated policies.

There have been recent changes in the Experience Rating Plan which are currently being filed throughout the country. The eligibility point has been increased from an average of $500 of premium a year to $750 a year.

Retrospective rating represents another element in workmen's compensation pricing which has many valuable assets. It provides a more immediate recognition of the insured's loss experience than is possible under guaranteed cost. For insureds who feel they are in a position to pay for their own losses within a maximum limit, it provides an opportunity to derive greater benefit from better-than-average loss experience than that which is possible under the Experience Rating Plan as applied to manual rates. This is especially appealing to larger insureds with good safety programs. For risks which are unattractive as to loss experience, it offers a basis for underwriting business which otherwise might not be acceptable.

Common Questions and Misconceptions

Perhaps it would be of interest to review some of the more frequent questions and misconceptions pertaining to workmen's compensation insurance costs which we have noted over the years. Some of these questions have been answered in the course of the foregoing presentation of the Council's ratemaking procedures. I have in mind, for example, the question that, since rates are based on $100 units of payroll, and since payrolls are continually increasing, isn't there more premium being realized than anticipated; and is this reflected in the ratemaking? We dealt with this question earlier in this paper, pointing out that ratemaking procedures, including the use of calendar year data, reflect all factors affecting compensation underwriting results, including changes in wage levels, average costs per case, and fluctuations in accident frequency. Reference is also made to an earlier showing that the average cost per case has moved up much more rapidly than wages.

Loss reserves. Sometimes the use of estimates in the calculation of losses is held suspect as an inflationary influence in the rate structure. On this score, it was pointed out earlier that the statistical data, including losses, which are provided the rating organization each year on individual policies are subject to two additional yearly reportings if the data have been subject to change. Since the initial valuation of losses is made as of six months after the policy has expired, this means that two and a half years, or more, after a loss has occurred is allowed to bring it to a final valuation basis for ratemaking. Actually, very few losses have not been either finally paid or at least determined as to ultimate cost by such time. "Loss Development Factors" calculated from these additional reportings are then employed in ratemaking to counteract the element of estimate. It is surprising to see the number of times where the indications point to an under-reserving rather than an over-reserving of losses.

As to calendar year data, which is not susceptible to analysis in terms of individual claims, the element of restraint upon excessive or inadequate reserves is found in the compilation of the data itself. Thus, the "incurred loss" as used in calendar year experience is derived by adding to the loss payments during the year the difference between the loss reserves at the end of the year and the loss reserves at the beginning. Any excess in reserve, therefore, must be credited against the reserve of the next year.

It is evident, then, that there has been a painstaking program maintained to assure the employer and his insurer that his rates are not unduly influenced by unseasoned data.

How the premium dollar is spent. Occasionally the statement is heard that 60% of the compensation premium goes to pay losses; the rest goes in the pockets of the insurance company. Very often this is accompanied by a strong hint that 40% of the premium stays in the pockets of the insurance company. Therefore, it is appropriate to examine the percentage of the cost of insurance represented by expenses in the light of this statement. There are one or two points, however, which must be kept in mind in any such analysis. First, as was shown earlier in this paper, the manual rate promulgated by the rating organization for each classification of industry is only a starting point in the determination of the ultimate cost of workmen's compensation insurance to the individual employer, premium discounts being an important reducing influence in arriving at net cost.

Secondly, in the membership of the Council, for example, there are some 330 private insurance companies, all in competition for business, and all using to varying degrees the primary sales weapons of service and price. These companies will fall into various categories depending upon their operating methods, including the means of acquiring business; whether or not they pay dividends; etc.

Thus, they will differ among themselves in the amount of cost incurred in obtaining and servicing business; in the amount of premium discount allowed the policyholder; and in the amount of returns made via the dividend route. A measurement of the aggregate effect of all of these factors will present a fair estimate of the average amount of expense in the countrywide premium paid by policyholders for workmen's compensation purchased from private carriers.

An analysis of private carrier expense statistics derived from the Insurance Expense Exhibits filed with the supervisory authorities of each state, indicates that approximately 34% would represent a fair estimate of that portion of the premium dollar used for expenses, profit and contingencies. This would leave 66% for compensation and medical payments going to injured employees.

Now, where does this 34% go? As previously stated, the policy issued to the employer provides not only for the payment of claims but also for loss adjustment services including the representing of the employer before industrial commissions and courts. These services average out to approximatley 8.5%. In addition, about 2% of the premium goes for safety inspection and accident prevention work done by the insurance company. We might pause at this point to note that these essential services plus the payment of compensation and medical benefits, all of which may accurately be described as directly benefiting both employer and employee, amount to about 76.5% of the cost of insurance.

Assuming that we are dealing with a representative state taxwise, an additional 2.5% goes for state premium taxes, allowances and fees. (There is, of course, no provision in the rates for federal income taxes.) The premium structure also contemplates 2.5% for underwriting profit and contingencies. This leaves, then, about 18.5% which is spent on other operating expenses including the cost of putting business on the books, the cost of necessary personnel, office expense, printing policies, making payroll audits, maintaining statistical data and other records required by supervisory authorities, and other such expenses.

Are these expenses actually incurred? Indeed they are. All companies are required by law to report annually both losses and expenses incurred during the year. The basis of the above analyses are the aggregate data of private carriers taken from such reportings.

Before leaving the subject of operating expense involved in a private operation of workmen's compensation insurance, it should be remembered that any such analysis is only meaningful when it is made in the light of what has been accomplished. For example, in our brief review of the programs which have been developed to establish the cost of insurance, we pointed out many steps which were taken to guarantee maximum equity to the individual policyholder. Specific reference is made to the elaborate classification system, ratemaking techniques, sustems of experience rating, and premium discounts. The intense competition which exists in this business means production expense, but it also must mean a dissemination of information to employers throughout the state with respect to their responsibilities under the workmen's compensation law. In many cases it has resulted in an election by non-subject employers to purchase workmen's compensation insurance for their employees. Also, prompt investigation of injuries and prompt payment of deserving claims has, I believe, been a standard which has been maintained by these competitors. All such elements must be considered when the cost of doing business is being examined and on this basis it seems clear that the operating costs in this business have truly been reasonable. This becomes even more clear upon review of the next topic. The foregoing facts speak for themsleves and they reflect in my opinion a

most creditable performance worthy of a business affected with a strong public interest. It is all the more satisfying that this has been possible in a state of competition, with the employer left to select the insurance company with which he wishes to deal.

How Expensive is Workmen's Compensation Insurance? At times suggestions have been made that workmen's compensation rates have risen to a point where they are inimical to the economic and social interests of the states where they are applicable. In this connection, it is submitted that a review of workmen's compensation rates, past and present, should put to rest any fear that the cost of this product has constituted an undue burden to any state.

In the first place, workmen's compensation rates per $100 of payroll are today 9 per cent lower than the level of 1939. At the same time, benefits to injured employees have increased 64% over the same period.

Secondly, the average countrywide compensation insurance cost per $100 of payroll is slightly over $1.00. If we may use what seems to be a conservative assumption that 50% of the cost of doing business is allocable to wages, this means that workmen's compensation and employers' liability insurance amounts to about one-half of one per cent of the cost of doing business.

These figures speak for themsleves. They demonstrate conclusively that the workmen's compensation insurance industry has certainly operated in the public interest by providing a necessary product at a reasonable cost.

Finally, it is of interest to note that from 1955 through 1959, those being the last five calendar years which were available as of the time of this writing, the insurance companies collectively showed an underwriting gain of two-tenths of one per cent on their workmen's compensation writings.

There are one or two other questions which might still bear some attention. For example, with reference to the 2.5% in the premium dollar for underwriting profit and contingency, we are sometimes asked whether this allowance amounts to a guaranteed profit. The answer to this is "absolutely not". Based upon past experience workmen's compensation rates are set at a point where, according to the best prediction, they will be adequate to pay losses and expenses and leave 2.5% for profit. But if losses or expenses or both exceed expectations, the 2.5% will not be realized. For example, in 1959 the underwriting result was -3.3% which means that the hoped-for profit of 2.5% was never realized. In fact an additional eight-tenths of one per cent loss was suffered.

Another question, is there any recoupment of prior underwriting losses in the ratemaking process? Once again, the answer to this is an unqualified "No". Rates reflect the indicated need of the future based upon past experience, and they carry nothing "extra" for the recovery of past losses. The rates are revised annually and are derived from the latest available experience. Current rates, thus, are revised upward or downward,

depending upon that experience, to determine future rates for policies which have not yet been issued. No part of this program of manual rate-making provides for a recouping of past underwriting losses.

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The foregoing discussion of workmen's compensation costs from the point of view of the rating organization is not intended to be a technical presentation of ratemaking and related matters, and for that reason many details have been omitted. But it is offered rather as a review of the basis of the current programs by which the premium charged the insured employer is determined. It is a standard program which is either in use, or recommended for use in all states where the Council has any status. It affords a stability of pricing practices which is a result of years of development. Although further amendments are being made, and will be made from time to time, it possesses an underlying consistency and objectivity which we believe is essential to this type of business. At the same time it is a program marked by a high degree of refinement and consideration of individual insured characteristics. These features, we feel, are welcome to supervisory authority, purchaser and company alike.

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5.7.4

SYMPOSIUM ON WORKMEN'S COMPENSATION IN A DYNAMIC SOCIETY

UNIVERSITY OF WISCONSIN

Summary of Paper Given by

J. E. Linster, Vice President

Employers Mutuals of Wausau

On May 9, 1961 at 1:30 P.M.

Wisconsin Center Building

Section 4 - Safety, Accident Prevention, and Rehabilitation

Rehabilitation

It is appropriate that a substantial portion of the program for this symposium has been reserved for the discussion of rehabilitation because during the 50-year history of workmen's compensation there have been many significant and important milestones of accomplishment in the development of rehabilitation programs. Rehabilitation is an accepted function under the obligations of the various workmen's compensation acts.

There is general agreement among spokesmen for industry, insurance, labor and administrators of workmen's compensation about rehabilitation. The Chamber of Commerce of the United States, the National Association of Manufacturers, spokesmen for organized labor, representatives of insurance, medicine and administrators of workmen's compensation have made statements which indicate they are in agreement about the importance of rehabilitation in the workmen's compensation system.

The Honorable W. M. Douglas, president of the International Association of Industrial Accident Boards and Commissions, recently stated that, "The workmen's compensation process cannot be termed successful either from the standpoint of the employee or the community until the disabled worker has been restored to employment compatible with the capabilities of the claimant. All interested parties should assume responsibility for assisting injured workers obtain the proven advantages of rehabilitation."

Anniversaries are traditionally the time for looking back--an enjoyable process when we are reviewing accomplishments but I believe we can agree that we should not engage in this process in any more detail than is necessary to make a realistic appraisal of rehabilitation in the light of the milestones of progress.

Less than a decade after the enactment of the first constitutional workmen's compensation law in Wisconsin, schools of physical therapy and occupational therapy instituted programs for the training of technicians in

the technique of administering heat, massage, exercise, water and other therapy procedures. Technicians trained under these programs joined the staffs of workshops or centers in general hospitals which were beginning to provide physical therapy and occupational therapy to accomplish a reduction of permanent disability and an earlier return to employment.

Even though the value of the use of physical energies and procedures was recognized in the 1920's, as late as 1928 there was only one curative workshop in existence in Wisconsin. It was located in the City of Milwaukee and, unfortunately, did not accept industrial cases. There was an obvious need for a rehabilitation facility which would accept industrial cases.

In 1928, the leaders of Employers Mutuals of Wausau realized that something had to be done to fill this need. The men who guided the company were of the opinion that the rehabilitation of injured workers should be one of the primary objectives of the Wisconsin Compensation Law. They believed that employers did not bear the cost of surgery and medication merely because it was their moral obligation or their duty to society as a whole; the intent of the law went further than that to include also the return of the injured worker to his job or to a similar job.

As a result, a physical therapy division with a well-equipped clinic or curative workshop was organized in Wausau, Wisconsin, in 1928. This is believed to be one of the earliest operations of its kind ever undertaken by an insurance company.

In the beginning, cases were brought into the center from a large area because facilities were not available in Wisconsin. At no time, however, was it ever considered anything more than a pilot facility to be used to encourage other communities to do the same thing. From the very outset, we realized that if we were to attain our objective of bringing rehabilitation to the patient rather than bringing the patient to rehabilitation, our measure of success would have to be a diminishing case load rather than an increasing case load.

In January of this year, we discontinued operation of the center because we felt there was no longer any real need for the center. Today in Wisconsin we have well-established facilities operating in most of the larger communities. In most of the larger Wisconsin communities it is now possible to commence rehabilitation under the direct supervision of the employee's attending physician while the employee is hospitalized. With few exceptions, the employee can remain in his own community for the entire course of rehabilitation treatment.

Very few, if any, of the thousands of cases treated in these community workshops could be considered headline material. However, if it were possible and practical to collect statistics on the amount of reduction in disabilities accomplished by early and effective treatment, I have no doubt that the total would indeed be spectacular.

Another important milestone in the history of rehabilitation is the development of rehabilitation programs for war casualties by the Armed Forces and the Veterans Administration during World War II. Prior to the development of these techniques, individuals who suffered spinal injuries resulting in paraplegia or quadriplegia would have spent the remainder of their lives in hospitals, nursing homes, or their homes under nursing care.

As the new programs were developed it was found that in most cases paraplegics and quadriplegics could be returned to a reasonably active life in their community no longer in need of hospital or nursing care. Many of these men developed their abilities through further education in vocational training and now hold important positions in industry.

Around this time, pioneers in the field of medical rehabilitation such as Doctors Rusk, Kessler and Krusen provided the inspiration and leadership so necessary in the development of an understanding of this third phase of medical care--rehabilitation. They received the support of many of their associates in the profession. Through their efforts private rehabilitation centers were established to treat private patients who were flown from many parts of the country to

centers located in New York, New Jersey and in Rochester, Minnesota.

Many of the patients were employees injured in industry who had good reason to have gnawing doubts about the possibilities of their ever returning to any type of activity. The patients who were among the first to be rehabilitated at these centers demonstrated to those who were to follow what could be accomplished.

During the decade beginning in 1940, 21 private rehabilitation centers were established. Today there are private centers in most of the population centers of the United States equipped and staffed to treat the most serious disability cases. What is more important, almost without exception they are within a reasonable distance from the home of the patient. To put it another way, the patient is within visiting distance of his family and friends. This alone can be an important factor in the rehabilitation program.

In our process of looking back, we have done little more than review but a small part of the story. Time won't permit me to review all of the many important developments and name all of those who have made important contributions. I must keep my promise not to engage in the process of looking back in any more detail than is necessary. We must therefore at this time consider some of our more important current rehabilitation problems.

During the last decade I have attended many meetings and conferences devoted to a discussion of rehabilitation. National leaders in the fields of medicine, industry, insurance, labor and the administration of workmen's compensation recognize the human and economic values of rehabilitation. There have been differences of opinion about the need for legislation. Rather than talk about these differences, I prefer to emphasize one important area of agreement. The area of agreement can be stated in a few words. Rehabilitation services must be community oriented.

The purchasers of services of the rehabilitation centers and the physicians must be familiar with the rehabilitation services which are available in the community. And the people in rehabilitation programs and facilities must, by contact with the principal purchasers of rehabilitation services, keep informed about the rehabilitation needs of the community.

The statement has often been made that there is a shortage of rehabilitation centers. In some communities this is true, but recent surveys would indicate that in quite a few areas rehabilitation centers are having financial difficulties because they did not make a realistic survey of the rehabilitation needs of the area before the center was built. Some rehabilitation facilities have been erected in remote locations. Others have established programs which are too specialized, and do not provide the services which are really needed by the principal purchasers of this type of service.

Those who are completely objective about the areas where there is real need for improvement in rehabilitation agree that much could be accomplished by a better liaison between the medical profession, insurance, industry, and the people in rehabilitation programs and facilities at a community level. Through this liaison, those who really make the day-to-day decisions which affect the future of a rehabilitation program in a community will become cognizant of the human and economic value of rehabilitation. And those who provide these services will be more responsive to the needs of the community. Community committees can, through the sharing of information, plan and accomplish more effective community rehabilitation programs.

The ultimate objective of any rehabilitation program is the return of the employee to gainful employment. In appraising the effectiveness of rehabilitation in the workmen's compensation system, we too often overlook the fact that with very few exceptions employers have demonstrated their willingness to place physically handicapped workers in jobs commensurate with their abilities. Many

times the employer provides on-the-job training for the employee who must be trained for a new job. They, through their experience with the employement of the physically handicapped, are convinced that the employment of the physically handicapped is good business.

I could not properly conclude my comments about the emeployment of the physically handicapped without paying a tribute to the wonderful work of the President's, the governors', and the many county and city committees on employment of the physically handicapped who, through their efforts, have developed a better understanding of the physically handicapped.

Those of us who are familiar with the day-to-day problems of rehabilitation recognize that there is plenty of room for improvement. However, I cannot share the views of the few critics who prefer to judge the workmen's compensation rehabilitation program by the few failures which can happen in any program. I prefer to believe that with the increasing public interest in rehabilitation and with the marvelous medical and technical advances being made in this field, we can look ahead to the decade of the 60's with confidence that even greater strides will be made in this important area.

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To be delivered at the Workmen's Compensation Symposium, May 9, 1961, sponsored by the School of Commerce of the University of Wisconsin.

5.17

SYMPOSIUM ON WORKMEN'S COMPENSATION IN A DYNAMIC SOCIETY

UNIVERSITY OF WISCONSIN

Summary of Remarks Given by

Elmer H. Kennedy, Supervisor of

The Dr. H. T. Buckner Rehabilitation

Center, Seattle, Wash.

May 9, 1961, at 1:30-3:15

Wisconsin Center Building

SECTION 3 - Funding Systems, Insurance, Self-Insuance, Other

THE FUNDING SYSTEM OF THE
STATE OF WASHINGTON'S EXCLUSIVE, NON-PROFIT
WORKMEN'S COMPENSATION AND MEDICAL AID PROGRAM

In case you are misled by my title as listed on the program, I had better explain that this is still Section 3, "Funding Systems, Insurance, Self-Insurance, Other." I represent that part of Section 3 designated as "other," namely, non-profit State Workmen's Compensation Funds, of which there are two types in the United States.

Competitive Non-Profit State Funds

The most numerous type of State Fund[1] is the so-called competitive non-profit State Fund which, presumably, competes with private insurance companies and furnishes a "yardstick" for measuring the effectiveness of the private insurance companies' profit motivated operation. Without disparaging in any way the many accomplishments and the devoted personnel of some of the competitive non-profit state funds, this presentation has absolutely nothing to do with them in any way as they are inherently a bastard program that was "compromised" in its legislative conception by its illegitimate background. Although some competitive state funds have made admirable records, I am just cynical enough to feel they were created in the first instance as a semantic trick to make bona fide government operated compulsory social insurance programs for whatever purpose "look bad" - why else do we find so many of them shackled with limitations and responsibilities not imposed upon the private insurance companies? And a "by-product" that is much appreciated but infrequently acknowledged by private insurance companies is the fact that so-called competitive non-profit state funds provide, without cost, an "assigned risk plan" for private insurance companies. This point is best illustrated by the following excerpt:

> "Thus, in a state *** which includes all types of carriers, it might be said generally that the biggest employers are in the main self insured; mutuals tend to get the cream of the non-self insured group; stocks

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1. There are eleven competitive state funds if you accept the United States Bureau of Labor Standards classification, but fourteen if you include Ohio, West Virginia, and Oregon which states permit self-insurance and thereby destroy a factor that is essential in the concept of exclusive, non-profit state funds.

take the less desirable risks and the competitive state fund gets mostly those that no other carrier wants."[2]

More power to the dedicated personnel of many competitive state funds who have compiled a wonderful record of accomplishment not withstanding the fact that the "cards are stacked against them."

Having thus disposed of the illegitimate other part of the "Other" listed in the program, I shall try to proceed with the other part of my assignment, namely, "to develop fully the role of exclusive non-profit state funds in funding their Workmen's Compensation obligations."

The Misnomer - Monopolistic State Funds

You will note that I do not use the word "monopoly" with all its derogatory semantic connotations as to do so would imply, in popular usage, a program creating a situation where the price of the service has been raised materially above the price fixed by free competition. The use of the term "monopoly" was a particularly damaging semantic trick in the first two decades of this century when the "muckrackers" were arousing our nation's conscience and creating a psychological climate that led to enactment of Workmen's Compensation laws, as well as legal defenses against monopolies and other alleged social evils. The use of the term "monopolistic state fund" was promoted by the private profit motivated groups who decided that if they couldn't lick the government operated social insurance programs they would "woo" them and seduce and pervert them for their private benefit. I surmise the sons and grandsons of these groups have now graviated to Madison Avenue's lucrative fields for semantic tricks - because we do not hear Unemployment Compensation of Old Age and Survivors Insurance being branded as "monopolies." Monopoly is a dirty word in the vocabularly of the advocates of bona fide government operated social insurance programs.

Funding defined

The two definitions of "funding"[4] that appear most applicable to the "funding" of the Washington State

2. p. 132 Workmen's Compensation, Somers and Somers, 1954, John Wiley & Sons, Inc., New York.
3. pp. 124-126 Workmen's Compensation, Somers and Somers, 1954, John Wiley & Sons, Inc., New York.
4. Webster's Collegiate Dictionary.

exclusive non-profit W.C. program are: (a) "To finance" and (b) "to supply a foundation." The following technical description of "funding" is based on the financing of our W. C. obligations.

The Washington Benefit Structure

However, before we discuss the methods of financing, perhaps it would be well to examine the benefits[5] we are financing. They are:

1. Total Temporary Disability (TTD) $165 single to $310 married, per month, with 5 or more children. Unlimited duration while medically necessary. All payments based on family status, not on per cent of wages. All TTD payments in addition to other benefits allowed.

2. Total Permanent Disability (TPD) identical payments but for the life of the beneficiary and his spouse and children except the spouse's pension is terminated with a cash lump sum upon remarriage, and children's pensions terminate at age 18. Also the widow of a TPD workman has her pension reduced $40 per month after the death of her husband.

3. Fatalities. $125 for a widow without children, to $245 per month for a widow with 5 or more children for life. Same exceptions as for TPD. Orphans receive $60 per month until age 18 for each orphan up to a maximum of $300 per month for five or more orphans. It should be noted that widows of fatal accidents and widows of PTD deceased workers with children under 18 years old or the widow when 62 years old, all draw OASI benefits concurrently which, in combination with the WC pension generally equals on current award schedules 100% of the deceased husband's wages.

4. Permanent Partial Disability (PPD) Cash lump sum payments after TTD and medical care is concluded ranging from $9,750 for amputation in the upper half of the thigh to $180 for amputation of the little finger at the distal joint. For disabilities to an

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5. For more detail on the benefit structure see Appendix A attached. The benefits listed become effective June 8, 1961.

appendage not involving amputation, the maximum allowance is 90% of the comparable amputation award. Disabilities to the trunk and cranium are rated against a maximum of $8,750. No percent of wages factor is applied.

5. Medical care including Rehabilitation. Unlimited medical care for life for conditions resulting from the injury. The medical aid act enacted in 1919 was broad enough to cover a complete rehabilitation program without amending the statute. The Rehab program, started in 1948, is housed in a $1,500,000 building and operates on a biennial budget of $1,000,000 treating 800 patients per year. (800 patients is 40% of all workers on TTD more than 90 days.)

Scope of Coverage.

It is fairly accurate to say that all workers who work with their hands, except domestic help, retail clerks, clerical personnel and farm labor are covered and many of the excepted groups have availed themselves of permissive coverage under the law. There is no numerical exception based on number of employees and for the categories covered there is absolutely no other form of insurance that may be substituted for the exclusive, non-profit state fund coverage. Approximately 450,000 workers are covered in 43,500 employer accounts. There are approximately 100,000 claims per year of which about 5,000 have some degree of Permanent Partial Disability.

The Funding Provisions and Methods

The benefits listed above are paid out of the following three funds which are financed (funded) as provided in the following excerpts from the statute: (Rem. Rev. Stat. Wn. State)

Sec. 51.16.020 - Basis for Determining Accident Fund Premiums - Cost Experience

The amounts to be paid into the accident fund shall be determined as follows: The department shall, prior to the first day of January of each year, determine for each class and subclass, a basic premium rate for the ensuing calendar year and, in so doing, shall take into consideration: First, that no class shall be liable for the depletion of the accident fund for accidents happening in any other class; second, that each class shall meet and be liable for its own accidents; third,

the cost experience of each class and subclass over the two year period immediately preceding July 1st of the year in which the basic rate is being fixed; fourth, the then condition of each class and subclass account.

The department shall also, prior to the first day of January of each year, determine the premium rate to be paid into said accident fund during the ensuing year by each employer to be credited to each class and subclass account, applicable to the employer's operations or business and, in so doing, shall take into consideration the average cost experience of each employer for each workman hour reported by him during each fiscal year in each such class or subclass over the five year period immediately preceding July 1st of the year in which the rate is being determined and, in so computing the cost experience of any employer, seventy-five percent of the average cost of pension claims shall be charged against his experience for each injury resulting in death or total permanent disability of a workman instead of the actual cost to the accident fund of such injury. The actual premium rate which any employer shall be required to pay for the accident fund shall be thirty percent of the basic rate, plus seventy percent of the employer's cost rate for each workman hour reported by him during each fiscal year over the five year period next preceding the then last July 1st but in no case shall the total rate exceed one hundred sixty percent of the basic rate.

In "experting" the amount of premium necessary to maintain the necessary reserves in the accident fund all covered employers are divided into 60 classes of comparable types of employment.

The amounts necessary to cover the life time pensions for TPD cases and widows and children of fatal accidents are computed by the State Insurance Commissioner on recognized and approved mortality and remarriage tables. The rate of interest has varied from 2% to 4% according to the provisions of the statute. Each case is a separate annuity until such time as the obligation ceases to exist, at which time the surplus reverts to the benefit of the class. (The annual report on the Annuity Reserves of the State of Washington's Department of Labor and Industry

is available but is adjudged to be too voluminous to be included as an appendix to this paper.)

In addition to the above, the Department applies the following factors in setting the premium to be sure the required accident fund reserves are not depleted.[6]

(a) The average number and average cost of claims on the books as of August 1, each year based on evaluated cost by nature and member injured for every conceivable type of injury.

(b) The workman hours and the claim costs for the preceding four years.

(c) Current factors affecting the above, such as, recessions, unusual weather, unusually expensive fatalities or TPD claims, etc.

(d) Appeal costs to both the Industrial Insurance Appeals Board and the Courts with trial by jury.

(e) Safety program costs not to exceed 4% of the accident fund and 1 - 1/2% of the Medical Aid fund or 5% of the combined funds.

History of Solvency of the Accident Fund

In almost fifty years since the law went into effect no claim has ever been defaulted as the courts have ruled that as long as the total accident fund is solvent, individual class funds can borrow and pay back with interest. At present, out of the sixty classes, two are "in the red." Steel shipbuilding, which is a boom and bust industry in our area, went "in the red" after World War II. Coal mining is a dying industry with less than 250 employees at this time. Not enough reserves were accumulated in the boom periods to care for the volume of claims generated by reopening for aggravations in the subsequent "bust" periods. Steel shipbuilding reduced its unfavorable balance 14% this past year but coal mining must await a hoped for resurgence of the industry which, we hope, is about to occur.

Basic Accident Fund Premium Rates

The basic premium rates vary from a low of $.0022 (2-1/5 mills) per manhour worked (Boeing Aircraft which is in effect,

6. For more detail on financing the Accident Fund see Dept. working papers attached as Appendix B.

but not technically so, a self-insurer) to $.29 (29¢) per manhour worked for logging, which is an extremely hazardous industry with many fatalities. The variation in total premium rates among employers becomes more extreme when the 30% and 70% factors are applied to the base rate. Many small employers never pay the rates indicated because the 170% maximum becomes effective, in which case the class absorbs the difference. This leads to the type of "levelling out" considered by some authorities to be desirable in any social insurance program.

The range from 30% of base rate to 170% of base rate is in the law on the premise that merit or experience rating will provide a profit motive to encourage the safety program and a safe working environment. It also creates desirable "side effects" in the form of re-employment of the seriously injured by the employer at the time of injury. The Forest Products industries have made an admirable record in this regard, notwithstanding the arduous nature of their work. There are undesirable side effects also; such as, the use of "claim jumpers" who resist justifiable and unjustifiable awards alike on a "grist mill" basis.

Occupational Disease

It should also be noted that Washington has unrestricted occupational disease coverage but no special fund is set up as claims are paid out of the Accident Fund in the same manner as are any other claims for injury.

So far, I have been discussing the "funding" of the Washington exclusive non-profit state Workmen's Compensation Fund in regard to the technical and statutory aspects of its financing. As my job title on the program indicates, I am not an authority on funding or the actuarial sciences, but I surmise the funding system for the Washington Workmen's Compensation Funds follows sound funding practices as any sound insurance program, either government or privately operated, must if it is to remain solvent and meet its obligations. The fact that the Washington Workmen's Compensation Funds have not defaulted on a single claim since their creation 50 years ago, plus the supreme test of survival in spite of constant profit motivated political pressure for change or abolition would appear to be irrefutable proof of the soundness of the funding of the program.

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7. For more detail on financing the Medical Aid Fund see Dept. working papers attached as Appendix C.

Washington is most fortunate in that the authors[8] of our law forthrightly pioneered an all inclusive compulsory exclusive Workmen's Compensation law at the very time, March 1911, that the Ives decision in New York was being used to emasculate and restrict the Workmen's Compensation laws to be passed in thirty other states by 1915. The fact that the Ives decision was overthrown by the U. S. Supreme Court in 1917 did not alleviate the situation and elective laws with their unnecessarily limited coverage of industries, occupations, and injuries have remained ever since as a deadweight on the Workmen's Compensation program.[9]

The Moral Aspects of Funding

Funding is also defined as "to supply a bottom or foundation." It is this definition of "funding" that shall guide the balance of this discussion.

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8. Harold Preston, a prominent pioneer lawyer of our state, is considered the author of our law in the sense of its legal provisions. If the ideal of exclusive, non-profit State Funds had been able to resist the profit motivated pressures and had become the pattern in the United States, Mr. Preston could well have become a national figure revered and honored as is Chief Justice Meredith in Ontario. Such was not the case and this estimable man is little known outside of our state and even there more for his principles and honesty in other legal areas rather than for his work on W.C. It is interesting to note that the firm he founded served as legal counsel, long after his death, for the proponents of a 1951 referendum to the people which nullified a non-occupational Disability Insurance program that had been passed by the Legislature for all workers covered by Unemployment Compensation. Time marches on - but not always forward - depending on your viewpoint!

9. pp. 32 and 33 - See footnotes #2 and #3.

The enabling clause of the Washington State Workmen's Compensation Law could well serve as the Magna Carta to free all Workmen's Compensation laws in the United States from their shackling limitations. I quote:

> "The common law system governing the remedy of workmen against employers for injuries received in hazardous work is inconsistent with modern industrial conditions. In practice it proves to be economically unwise and unfair. Its administration has produced the result that little of the cost to the employer has reached the workman and that little only at large expense to the public. The remedy of the workman has been uncertain, slow and inadequate. Injuries in such work, formerly occasional, have become frequent and inevitable. The welfare of the state depends upon its industries, and even more upon the welfare of its wage-worker. The State of Washington, therefore, exercising herein its police and sovereign power, declares that all phases of the premises are withdrawn from private controversy, and sure and certain relief for workmen, injured in extrahazardous work, and their families and dependents is hereby provided regardless of question of fault****"

Because our Workmen's Compensation law rests on the "police and sovereign power" of the state it has been possible to administer and amend it in a flexible and dynamic manner.

In 1947, 4,000 total permanent disability pensioners or widows of fatal accidents and total permanent disability pensioners were living a sub-marginal existence on pensions dating back to 1912. These pensions ranged from $20 to $60 per month depending on the provisions of the Workmen's Compensation law at the date of injury. The law has been amended in 1947, 1957, and 1961 to provide supplementation out of the tax supported General Fund of the state to keep these pensioners at decent subsistence levels at or above the average O.A.S.I. payment. Currently, on June 8, 1961, five thousand pensioners will receive supplementation to $125 single and $155 married per month (plus children's allowance, if any, which are not supplemented) at a cost to the General Fund of $4,000,000 per year. Since 1947 to date Workmen's Compensation pensioners have received $32,800,000 in supplementation from the General Fund. This use of the flexible and dynamic features of our law

may well be unbelievable to many. A state that used its police and sovereign powers to deprive the injured workers of their common law rights, valueless as they often were, could do no less.

It is doubted if any type of Workmen's Compensation law that was not "exclusive" and based on the police power of the state could achieve such a miracle from the injured worker's viewpoint. Actually we had to amend our state Constitution to assure the legality of this procedure when the same problem arose in connection with supplementing retired teachers' pensions. However the equity and justice of supplementing Workmen's Compensation pensions was so apparent that no one challenged our Workmen's Compensation pension supplementation although it was in force for several years before the state constitution was amended.

The Workmen's Compensation Medical Aid Law, enacted in 1919, was so broad that it too, "supplied a foundation" when the progress of modern medicine required the creation of a comprehensive, integrated Rehabilitation Center and program in 1948. No amendment to the statute was required - it was done under administrative discretion and has never been legally questioned.

These two illustrations will, in the interests of brevity, have to suffice as adequate proof that our fund meets its obligations under the definition of "supplying a foundation" that cares for changing economic and social conditions.

Summary of Strong Features

In summary then, the Washington Exclusive Non-profit State Workmen's Compensation Fund meets its obligations by:

1. Providing a benefit or award schedule comparable or superior to the best in the nation and I.A.I.A.B.C. criteria with the probable exception of Permanent Partial Disability awards in which area the I.A.I.A.B.C. standards[10] are ambiguous.

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10. I.A.I.A.B.C. Handbook - Bureau of Labor Standards Bulletin

2. The funding or financing system is sound from -
(a) the viewpoint of solvency of government operated social insurance programs and sound insurance principles in general,
(b) the merit rating viewpoints of private industry and safety advocates
(c) the viewpoint of injured workers who need a flexible and dynamic program which supplies a foundation that can care for changing economic and social conditions. In the final analysis this is the most important consideration because the W.C. program was created to meet the needs of the injured workers.

3. The coverage is comparatively adequate for all categories of workers. (Weaknesses of the coverage will be covered under that heading)

4. Medical Aid, including Rehabilitation, is unlimited and covers aggravation of conditions caused by the industrial injury for the life of the injured worker.

5. Reopening for aggravation to take care of the premature aging process due to the injury is, in practice, practically unlimited.

6. The comparatively adequate or superior benefits are supplied at the comparatively reasonable cost of 1% or less of payroll. Administrative costs are less than 10% of total costs. Comparisons as to cost and efficiency are always difficult to make on an equitable basis due to the many variables present, but it is self-evident that when there are no profits and no sales commissions to be made, exclusive non-profit State Funds, if honestly administered, have at least a 25% advantage in paying larger benefits out of the same amount of premium. Washington W.C. rates are 50% to 100% less in almost every class of employment when compared to our neighboring states of Oregon and California[11] who have comparable or less costly benefit structures.

7. Statistics are compiled and available.

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11. See appendix D - A Comparison of Industrial Insurance Rates Per $100 of Payroll for Oregon, California and Washington - prepared by Oregon Industrial Commission Statistical Dept.

Lump Sum Awards vs. Permanent Partial Disability Pensions - the Greatest Weakness of all U.S. Workmen's Compensation Programs

The great difference in monetary value between a limited lump sum award and a life-time partial pension is the root of most evil in the United States W.C. system. It creates the need for the legalistic, forensic approach that plagues all our constructive efforts and pyramids our costs. (This is true whether the lump sum is paid in cash as in a few states or on the installment plan as in a majority of states.)

As long as most funding systems must require a cut-off point so actuaries can accurately state the premium rate necessary to assure a profit, this situation will continue to exist. This is true in our exclusive, non-profit State Fund states as it is in other states because our rates are always subject to comparison to other states with competing economies.

The Canadian Provinces have solved the problem to a great extent, but they are not subject to comparison within their own country, as all provinces in Canada have exclusive, non-profit W.C. funds. However, the Canadian cost experience of less than 1% of payroll does not appear to be any greater notwithstanding the much greater cost of P.P.D. pensions.[12]

The conclusion then is inescapable -- you can not siphon off 25% or more of premium income in the form of profits and commissions and still have enough money for adequate P.P.D. awards. The present practice is to force the seriously injured worker to assume the major burden of the cost of his injury in the form of reduced earnings and a lower standard of living -- often at the taxpayers' expense on direct relief.

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12. pp. 314 - See footnotes #2 and #3

We in Washington State are considering a possible alternative in the form of Permanent Partial Disability Loss of Earning Power Pensions. Partial Pensions would range from $25 per month for 20% disability to $125 per month for 90% disability. If earning power was restored in whole or to an extent that part of the pension payment was not required to equal average earnings prior to the accident the unused portion of the pension reserve would automatically revert annually to reduce the class of employers' premium rate. All payments would cease at age 65 if the injured worker's earning power had been restored to an extent that entitles him to maximum O.A. and S.I. benefits. In any event the amount paid could not exceed the difference necessary to equal maximum O.A.S.I. The initial cost for pension reserves is estimated at three times the cost of "lump-summing" the same claims, but it is conjectured that in ten to fifteen years, due to reversions due to restored earning power, early deaths and interest accruals the fund would become practically self-sustaining to the extent that the costs would be no more than for "lump-summing" the same injuries.* (Insert fn.)

The proposal is unique inasmuch as it contemplates integrating two forms of social insurance. The use of industries' profit motive to assure the physical and economic restoration of seriously injured workers is somewhat analogous to the existing policy of merit or experience rating.

Our recent session of the Legislature called for a study of the proposal. My sense of humor requires me to add, with my tongue in my cheek, that the promised $60,000 appropriation was "inadvertantly" omitted. We hope to proceed with the study as planned with funds from another source. It is altogether fitting and proper that we should make this contribution to the solution of the W.C. problem as it will do much to convert our W.C. program to a genuine Workmen's Restoration program as that is the real and humane purpose of W.C. laws as we see it on a basis of fifty years' experience.

In conclusion I wish to express my thanks to the "Fund for Insurance Research" and the University of Wisconsin for the opportunity to participate in this symposium celebrating the fiftieth anniversary of the effective date of the Wisconsin W.C. law, the first W.C. law to go into effect in the United States. I am

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*The present modest lump sum payments provided in the law would be retained as a sort of indemnity payment for the anatomical loss and would be paid in addition to the permanent partial disability pensions.

particularly happy to participate as this is also the fiftieth anniversary of the passage of the State of Washington's W.C. law on March 14, 1911. We were in a "dead heat" with Kansas for the honor of enacting the first constitutional W.C. law in the U.S. but our effective date for beginning operations is 1912. I am especially happy to participate in a symposium sponsored by the "Fund for Insurance Research" as to be accorded this privilege is in accord with the best traditions of democratic procedure and fair play. I trust my presentation has been objective and free of personal prejudice. On other occasions[13] I have belabored many members of this audience with the implications inherent in our W.C. programs.*

13. President's Address pp. 1-9 Proceedings, I.A.I.A.B.C. 1958, Bureau of Labor Standards Bulletin #201.

About the Author

Mr. Kennedy was born in Seattle, Washington, in December of 1904. He graduated Magna Cum Laude from the University of Washington in 1934. He also received his M.A. degree from there in 1935. Mr. Kennedy has had much experience in governmental service. From 1950-61 he served as Supervisor of Rehabilitation and Replacement - State Department of Labor and Industries (presently on leave of absence). At the present time he is Legislative Representative and Assistant to the President - Washington State Labor Council - AFL-CIO. He is interested in civic organizations -- Boy Scouts, Young Men's Christian Association, Association for Crippled Children, United Good Neighbors, Etc., and AFL-CIO, Committee on Political Education. He has written several papers and the reason he is on leave of absence from duties as Supervisor of the Department of Labor and Industries Rehabilitation Center for Injured Workers is to lobby to convert the Washington law from mere compensation to bona fide Workmen's Restoration by combining Anatomical and Wage Loss theories of rating disability(He is lobbying for the Washington State Labor Council--AFL-CIO).

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*(speech concluded by the following remark)

I do not choose to do so again, except to say again "If you do this to the least of these, my brothers, you do it also unto me.

The Gospel according to St. Matthew.

By: C. Henry Austin, Manager
Insurance Department
Standard Oil Company (Ind)
Chicago, Illinois

PRESENTED AT: Symposium on Workmen's Compensation in a Dynamic Society, University of Wisconsin - May 9-10, 1961

FUNDING WORKMEN'S COMPENSATION BENEFITS

Your other speakers have discussed accident frequency and severity as well as methods employed to reduce the frequency and severity of industrial accidents.

You have also heard, or you will hear, about the effect of statutory amendments on the cost of these injuries.

Despite the best efforts of the loss prevention engineers, in 1959 approximately 14,000 workers were killed in industrial accidents. Another 85,000 workers suffered permanently disabling injuries; 1,850,000 workers suffered temporary disabilities as the result of occupational accidents.

The direct cost of these accidents in 1959 was approximately $2,110,000,000 including loss of wages, medical expenses and the overhead cost of insurance. The National Safety Council estimates that indirect losses such as property damage, interference with production and time lost by workers other than the injured workmen result in an additional $2,100,000,000 of losses.

While the risk manager is vitally interested in the humanitarian aspect of loss prevention, he is also directly interested in protecting his corporation against the cost of those losses which do occur despite everyone's best efforts.

Workmen's Compensation losses fall in an area between direct damage to physical property and third-party liability claims. Losses arising out of direct damage to corporate property represent an immediate and exactly determinable loss. Third-party liability losses include a significant number of claims which are indeterminate both as to the amount of the loss and the point in time at which the loss will be paid.

The majority of Workmen's Compensation claims are immediate and exactly determinable as to amount. A small number of these claims may result in payments extending over a period of several years and a portion of these claims will involve questions of the exact liability of the employer.

Because some claims will result in liabilities extending several years into the future, and because the total annual cost of normal or nominal dollar amount claims will

fluctuate from year to year, the risk manager is concerned with two problems. First, he must protect his corporation against extreme fluctuation in the annual cost of Workmen's Compensation claims. Second, he should be able to furnish his Cost Accounting Department with sound and accurate cost figures.

ALTERNATIVES

Insurance

The business enterprise which has a limited number of employees and a relatively small payroll faces greater relative fluctuations than does the large corporation, even though the absolute fluctuation may be much smaller. The small enterprise, therefore, must look to commercial insurance as the only solution to the establishment of fixed costs for Workmen's Compensation claims.

Self-Insurance

As the enterprise grows in size, it approaches the point where self-insurance should receive serious consideration.

Two criteria must be considered. First, can the corporation satisfy the statutory requirements in order to qualify as a self-insurer? Second, is self-insurance the more economical approach?

The answer to the first criteria, i.e., statutory qualification, will depend upon the conditions established by the administration of the states in which the corporation operates.

The mere fact that the employer can meet the statutory requirements for self-insurance should not be taken as final proof that self-insurance should be considered. The state authorities are properly concerned primarily with the welfare of the injured worker. A financial position which satisfies the state authorities that the injured worker will be compensated does not guarantee that the best interest of the stockholders will be served by the use of self-insurance. In the event of a catastrophe, there may be sufficient assets to pay the claims of injured workers as well as other first line creditors, but the payment of these claims as well as other direct and indirect losses may damage the stockholder's

equity beyond the point of no return.

The risk manager must recognize his responsibility to the owners of the corporation, and not jeopardize the long-range existence of the corporation for the sake of short-range economics.

The second question, i.e., economy, represents a problem which must be solved by the risk manager on the basis of the facts peculiar to his organization.

The cost of insurance is exactly determinable. It may be determinable in advance as is the case under "prospective" rating methods, or it may be determinable within specified limits as is the case under "retrospective" rating methods. In either event, the risk manager can furnish his management with costs which are either known or which are variable within acceptable limits.

If the variance between minimum and maximum premiums under a proposed retrospective rating plan is too great, the risk manager can consider the purchase of "Retrospective Penalty Premium Indemnity" insurance. This will limit the maximum cost to the standard premium plus the premium for the penalty premium insurance.

When self-insurance is employed, the risk manager must either accept the almost impossible task of forecasting catastrophic losses or else he must "hedge" the self-insurance approach with a catastrophe (or large deductible) Workmen's Compensation insurance policy.

Unfortunately, some individuals responsible for insurance have made the mistake of comparing the cost of commercial insurance with the cost of benefits plus adjustment expenses without giving consideration to the cost of providing catastrophe protection.

The decision to self-insure should, therefore, be based upon a comparison of the cost of commercial insurance under the most advantageous rates and a rating program which can be negotiated as opposed to the total costs of being self-insured. These costs should include all benefits paid under the provisions of the state compensation acts, the cost of adjusting claims including any necessary appearances before the state industrial commissions, the cost of appeals from the decisions of the state industrial commissions, the cost

of replacing the safety and loss prevention activities of the insurance company, and the cost of protecting against catastrophic losses.

I suggest that self-insurers should give serious consideration to developing a market for the purchase of long-term disability benefit policies or annuities to provide for the payment of benefits to workmen who suffer permanent disabilities and to the widows of employees who are killed in industrial accidents. At the present time, self-insurers, for the most part, are faced with long-term liabilities due to these two classes of beneficiaries and federal income tax laws do not encourage the recognition of these liabilities until such time as the payments are actually made.

The liabilities to these two classes of beneficiaries are subject to revision in the event of the subsequent death of the workman or the death or remarriage of the widow. No individual employer has enough cases of this type to apply the conventional mortality or remarriage tables with any degree of actuarial soundness. An insurance company which would issue single premium policies for this purpose would have a sufficient spread of risks to establish accurate average premiums. The purchase of such a policy by the employer should qualify for treatment as a business expense for tax purposes.

This approach would also have the advantage of reflecting the total cost of the death or permanent injury in the company's operating statement for the year in which the injury or death occurred.

While some representatives of the insurance industry would resist the development of these special purpose policies on the grounds that they would give aid and comfort to the "enemy" (self-insurers), these policies would serve three useful purposes:

1. Beneficiaries would have the added security of the insurance company's guarantee to supplement the employer's primary liability.

2. The state industrial commissioners and insurance commissioners could be assured that long-term liabilities of self-insurers are guaranteed regardless of the future financial fortunes of the employer.

3. Self-insurers could discharge all of their long-term liabilities in the year in which the loss occurs.

Present Federal Income Tax laws do not permit self-insurers to "write off" reserves as deductible business expenses. For a short period of time in the middle 50's, reserves for future liabilities could be deducted as current business expenses, but this treatment was deemed a "loophole" and plugged after a very short period.

As a result the self-insurer must establish these reserves out of earnings after taxes. While some self-insurers do label a portion of earned surplus as a reserve for self-insurance, the majority of self-insurers treat workmen's compensation losses as a charge against current operating revenue.

Even when self-insurance reserve is established it suffers from two serious drawbacks.

First, and most serious, the reserve is simply a matter of attaching a label to part of earned surplus. There is seldom a balancing item in the asset side of the balance sheet. If a reserve is to act as a true self-insurance fund, it should be balanced by a specific appropriation of a portion of quick assets, and these assets should not be used when the current ratio of the corporation is computed. While this criterion may appear drastic, the self-insured corporation should recognize that the insured corporation has used a portion of its income to purchase an insurance policy which guarantees, without limit, the immediate payment of all liabilities under the Workmen's Compensation acts.

The second difficulty arising out of a self-insurance reserve which is a reserve in name only is that the title is subject to misunderstanding. Is it a reserve for third-party liability claims, a reserve for losses to company property, a reserve for Workmen's Compensation liability, a reserve for unfunded and uninsured past service credits or a combination of two or more of these? The amount of the so-called reserve may be very reassuring if the analyst has only one of these potential costs in mind.

We should not lose track of the fact that a true catastrophe could result in serious damage to company property, injury to employees and liability to others for bodily injury and property damage. If the damage to the plant results in a

long period of suspension of production, there will be a serious loss of future profits, and if a number of older employees elect early retirement as a result of the shutdown, there may be unexpected retirement plan expenses.

I mention this extreme situation only to emphasize the rude shock which awaits any management which has been lulled into a sense of false security by an improperly designed program of self-insurance.

This sense of security is unfortunately encouraged by the reassuring sound of the phrase "self-insurance." In too many cases the emphasis is placed upon the word "insurance" and the word "self" is gracefully elided. While the term self-insurance may be criticized as self-contradictory, it has gained popular acceptance both because of its reassuring sound and because it has an established legal recognition in the workmen's compensation statutes of many states.

A properly designed program of self-insurance is based upon two essential premises. First, all of the costs of self-insurance have been determined to be less than the cost of commercial insurance. Second, the total annual cost of losses assumed will not exceed a predetermined maximum. This maximum cost may be established by the purchase of catastrophe, or stop-loss, insurance. When catastrophe insurance is purchased, the risk manager must determine not only the deductible but the amount of coverage to be purchased in excess of the deductible.

When a risk manager considers the various methods of providing funds to meet the cost of workmen's compensation benefits, he cannot isolate workmen's compensation any more than he can isolate other exposures to loss. All sources of loss should be considered as interrelated.

I mentioned previously the possibility that a single occurrence could result in several types of loss. Even after the risk manager and top management have established a maximum acceptable limit for assumption of loss, the risk manager has not solved his problem; he has only established a point from which to start.

Management may agree, for example, that any loss up to $200,000 can be assumed without serious harm to income or assets. What if there is more than one serious loss during the fiscal period? A more logical approach is to consider the total maximum annual loss cost that management is willing to assume.

Insurance premiums for an existing program of full insurance protection (liability, Workmen's Compensation, fire and business interruption) may have been $500,000. Management may agree to a program which contemplates the assumption of "normal" losses and the purchase of protection against "excess" losses subject to a maximum annual cost of $700,000. Under this set of rules, the risk manager must use all of the actuarial, engineering and underwriting skills he can muster to be certain that the maximum annual cost will not exceed the top limit established by management. He must also ascertain that the average annual cost, over the long run, will be less than the cost of a program of full insurance protection. The risk manager must select, for self-insurance treatment, those exposures which represent the maximum potential saving.

Two factors combine to suggest that fire insurance will be the risk manager's first choice for self-insurance treatment. First, there is the important distinction between physical damage losses, which need not be adjusted unless insurance is purchased, and third party losses such as Workmen's Compensation and public liability which must be adjusted whether they are insured or uninsured. In this connection, the purchase of full coverage fire insurance creates the additional expense of adjusting insured losses with the insurance company.

The second factor which establishes fire insurance as the first choice for self-insurance is the availability of retrospective rating plans for Workmen's Compensation and public liability exposures. These plans permit the insured to develop costs which are related directly to the losses which occur during the policy period. At the same time, they provide insurance against individual losses in excess of a predetermined limit; and the annual maximum premium establishes retrospective rating as a type of aggregate annual deductible insurance.

Unfortunately, seven states which have monopolistic state funds do not permit the nationwide operation of the retrospective rating plan, although two of these states do permit self-insurance. Many business organizations, and the United States Chamber of Commerce, are of the opinion that these monopolistic funds constitute interference with freedom of private enterprise. Nevertheless, a risk manager must recognize the existence of such laws and plan his Workmen's Compensation program accordingly.

Having voiced this plea for freedom of private enterprise, I will make one final comment on the matter of freedom. The continued existence of a competitive insurance industry is of vital interest to the entire American economy. Insurance companies will continue to meet these needs only as long as they can remain free to charge appropriate rates. I do not want to antagonize either side in the "brouhaha" which is developing with respect to "prior approval" versus "no approval" rating laws. One of the arguments used in favor of strict rate controls is the fear that rating freedom would result in cut throat price competition and the ultimate insolvency of some insurance companies. This possibility, if true, is serious because of the volume of Workmen's Compensation benefits guaranteed by the insurance industry. Of course employers and employees in Wisconsin are protected against this possibility by the Stock, Mutual and Reciprocal guarantee funds established under the provisions of the Wisconsin statutes.

In the long run, though, which is economically more desirable, rating laws which protect the least efficient competitors or rating laws which encourage the most efficient?

57 V.

Symposium on Workmen's Compensation in a Dynamic Society

University of Wisconsin

"Accident Prevention and Safety"

Paper Given by W. H. Lowe, Treasurer, Inland Steel Company, Chicago

May 9, 10, 1961

Accident Prevention and Safety

It is indeed an honor to be a participant in such an historic event, marking the 50th anniversary of the first American experiment in social legislation.

The history of the organized safety movement in America is closely tied in with the enactment of workmen's compensation legislation. Individual and public reaction against deaths and injuries sustained in hazardous industrial employment was expressed both in concern for financial protection of the injured worker and desire to eliminate the basic causes. Thus, in 1911, the same year in which the Wisconsin Workmen's Compensation statute was passed and upheld, the Association of Iron and Steel Electrical Engineers requested a general safety conference on a national scale, and this resulted in the First Cooperative Safety Congress, also held in Wisconsin - at Milwaukee - in 1912. Out of this meeting both the safety movement and the National Safety Council were born.

Many factors have, of course, contributed to the growth and success, over the years, of the safety movement, both in industry and in general. Enactment of workmen's compensation laws provided initially a financial stimulus to accident prevention. But more significant, I believe, was the moral reaction of industrial leaders as well as the entire citizenry to wasteful loss of life and limb; for this reaction really led industry to accept the financial responsibility imposed upon it by the compensation statutes. Such moral reaction led to the concept on the part of many that accidents should be preventable. This concept was further heightened by World War I, which emphasized a further tremendous waste of life and limb. Following the First World War, the safety movement made tremendous strides in industry and was given further impetus by World War II, which brought about the realization that more lives were lost and more injuries sustained annually by accident than had been incurred in the course of the war.

An important factor, of course, was the increasing emphasis on efficiency in American industry. Modern technology played a dual role. It enabled the incorporation of safety features into the design of more efficient equipment. The high costs of training workers to operate modern equipment greatly increased the indirect financial costs to employers of lost-time accidents. It soon became evident that expenditures on safety were recovered many times over by these indirect and direct financial savings.

The changing concepts of industrial relations have also been important, and the role of labor unions must be properly acknowledged. As industrial managements viewed with increasing concern the welfare of employees, emphasis on safety and health has increased.

Thus what started as a move to alleviate the financial hardship and suffering caused by accidents soon became a determined effort to eliminate the accidents themselves.

No one group can claim credit for the accomplishments to date in the field of safety. The cooperative and untiring efforts of all segments of industrial and public life have been required. The success experienced to date has undoubtedly been achieved more because of the widespread cooperation and contributions than other factors.

What results have been achieved over the last fifty years? In my opinion few reform movements in history have realized such impressive gains so quickly. Hundreds of thousands of lives have been preserved. Industry and employees have been saved billions of dollars.'

Let us look briefly at what has happened to the accident rate in America. For the years 1930-7, the average annual accidental death rate was 88.9 per 100,000 of population; in 1959 the rate was only 51.6, a drop of 42%. This means that some 63,000 fewer deaths occurred in 1959 than would have been lost if the earlier rate still prevailed. Furthermore, if we look at the working population (defined for this purpose as ages 25-64 years), the accidental death rate has been cut in half over this period. in 1959, only 15% of the total accidental deaths amounting to 91,000 were work deaths. The balance were classified as motor vehicle, public and home.

Similarly, only 20% of reported injuries in 1959 were work-incurred, the balance being spread in these other categories. It is regrettable that data on injuries, their frequency and severity, do not extend as far back as data on deaths. It is, of course, much harder to collect reliable national data to cover all industries. The National Safety Council has compiled representative data since 1926 from its members, and this shows that frequency rates (disabling injuries per 1 million manhours) have dropped from 31.87 in 1926 to 6.17 in 1958, or almost 80%, while severity rates (days lost per 1 million manhours) have declined almost as significantly during this period - from 2,500 to 744, or 70%. Though this data is based only on companies reporting to the Council, it is believed reliable because it is based, for the latter year, upon reports of almost 11,000 companies and units, principally manufacturing units. However, this data represents primarily the experience of large manufacturing plants.

The obvious conclusion to be drawn from such data is that accident prevention programs do work. Further evidence can be found in the results of specific industries. I vaguely remember a Lon Chaney film of some years ago that involved a steel mill and portrayed how workmen fell into huge vats of molten steel and slag, certainly a hideous occupational hazard, In these earlier years steel mills were regarded as - and were - relatively dangerous work places. Today the steel industry ranks as the 6th safest amongst all 41 industry classifications. The Pacific Coast Association of Pulp and Paper Manufacturers reports that its 45 members achieved an 84% reduction in frequency rate in the ten years from 1945-55, representing the prevention of more than 10,000 disabling injuries. The members of the Can Manufacturers' Institute accomplished a reduction in frequency rate from 14.9 to 5.97 between 1950 and 1955. Members of the Gypsum Association improved their safety record 83% in the last 13 years, and accomplished a 36% improvement in 1956 alone.

What does this mean for workmen's compensation? Reductions accomplished in the number of accidents obviously has meant significant dollar savings for employees as well as avoidance of financial loss and suffering. We can all take some comfort in the fact, that, without effective accident prevention, the total costs of workmen's compensation over the past 50 years would have been greater by billions of dollars. How have these significant results in industrial accident prevention been achieved? Industry quickly learned that engineering could prevent accidents, so safer equipment and methods have been, and are constantly being devised. Coupled with this development has been the growth in the number of people who devote their working hours to accident prevention, our wonder corps of safety specialists.

Industrial experience has also shown, however, that improvement of equipment and methods is not enough. Employees had to be educated; explanations of the reasons for adopting new methods and techniques, as well as constant reminders, had to be provided. All such education appeals, of course, to the individual self-interest.

But, being human, we are all both wonderful and yet strange creatures. We can read that 90,000 Americans are killed accidentally and over 9 million injuries suffered each year; but each of us quickly concludes that it's the other fellow who is involved in accidents, not us. Because of this, industry soon learned that something more was required to make accident prevention work. Rules and regulations covering safe work practices had to be set down, and penalties imposed for non-compliance.

Thus developed the "three E's"of safety - Engineering, Education, and Enforcement. These have been the basis of success in industrial accident prevention, and are currently seen to be the only effective basis in other safety areas, such as traffic safety.

One very important contributing factor to progress in industrial accident prevention has been, I believe, the interchange of information and ideas among those concerned with safety. Through conferences of safety-minded people, such as those sponsored by the National Safety Council and various state and local councils, as well as other groups; through industry associations; through innumerable publications; and through a variety of other ways; knowledge gained from experience and research as well as new ideas and techniques have been freely exchanged. As a result, trial and error approaches have been obviated in countless individual situations.

Success, of course, is relative. While industrial accident prevention has been successful to date according to the measurements commonly used and indicated earlier by me, I do not want to suggest that the job is fully accomplished. Much - very much - remains to be done.

While the accident frequency rate has been reduced dramatically, the total number of deaths and injuries has increased, because our population has risen so greatly. A total of 93,000 Americans were killed accidentally last year as against only 72,000 in the years 1903-7. While there are proportionately fewer industrial injuries today, the severity has increased, indicating that we are eliminating the minor accidents but are not as successful with the major - and costlier - accidents.

The accomplishments noted earlier in reduction of accident rates have been expressed necessarily in terms of averages. Unfortunately the rate reductions observed have not been made uniformly throughout all industry. Within the industrial community there are large variations in accomplishment from industry to industry and from company to company. A particular area of concern is the small-plant problem. While available data is not conclusive, it does suggest that the frequency and severity rates for small plants are two or three times greater than for large plants. How best to attack this problem? The small plant often cannot employ specialized safety personnel, and may not have sufficient financial resources to improve equipment and techniques. But lives must be saved and injuries prevented wherever possible, large plant or small. Perhaps exclusion of smaller operations from workmen's compensation should be reconsidered, in order to provide safety incentives to smaller employers. If this were done, however, appropriate pooling of risks would have to be worked out, since the accident experience of small units would be unreliable statistically for insurance purposes.

Efforts are being made to reach smaller employers through associations for safety purposes, but this is a difficult process. Some small employers have demonstrated, of course, that they can carry on effective safety programs.

One very important problem area of accident prevention falls outside the direct scope of workmen's compensation; but it should be of vital concern to employers -- namely, the off-the-job accident toll. Since most employers now bear part (if not all) of the costs of group sickness and medical insurances they are incurring the costs of nonoccupational accidents just as surely as they bear the compensation and other costs involved in occupational disabilities.

And I would point out that, in many instances, the benefits provided to employees for off-the-job accidents are greater, in relation to wages, than those paid under workmen's compensation. This development of recent years is certain to have a profound effect on the future level of workmen's compensation benefits.

Even if the level of benefits were the same for both occupational and nonoccupational injuries, the total cost of the latter would still be greater for most companies because the frequency of off-the-job accidents is greater. Based on the studies of a number of companies, the off-the-job accident rate runs anywhere from 5 to 20 times as great as the on-the-job rate.

I recognize that this is neither the time nor the place for an extensive discussion of nonoccupational safety. But I would remind you again that of some 94,000 accidental deaths in 1959, only 14% were caused by work accidents; 39% were caused by motor vehicle accident; 29% were the result of accidents in and around the home; and 18% resulted from "public" accidents, that is, in public transportation, recreation, etc. Of the home accidents half occurred to persons under 65. Of the public accidental deaths, almost half were caused by drowning. A National Health Survey for 1957-8 indicates that 65 million days were lost from work due to off-the-job accidents, as compared with only 41 million days lost due to on-the-job accidents. It is estimated that off-job accidents cost workers and their families some 3 billion dollars a year, and employers over half a billion.

Many industrial companies already have in effect off-the-job accident programs supplementing their in-plant programs. As more and more managements become aware of the costs and losses, both direct and indirect, their companies are incurring for nonoccupational accidents, safety efforts among employees and their families will undoubtedly increase.

Yes, much remains to be done. No one can sit back contentedly. All must continue to exert utmost efforts to this important cause.

To assure success in the future as outstanding as that achieved over the last 50 years, three things are required, it seems to me.

First, more must be done in the area of research on human behavior and motivation with respect to safety and accident prevention. We know that a large part of the accidents occur each year because individuals become careless. Why do they? Not enough is known to really answer this question effectively. For a number of years the National Safety Council has published estimates of projected deaths on the highways over certain national holidays. But Americans seem to ignore - or at least take very casually - these dire warnings; and the toll of death and injury continues to mount. A recent survey on automobile seat belts indicated both a lack of understanding and a conviction on the part of respondents that it was "the other guy" who needed belts, not they. Yes important and basic research is required in the human area.

Secondly, the concept of moral responsibility must be fully developed and inculcated in all of us. Certainly needless destruction of life and health is a moral failure. The commandment "Thou Shalt Not Kill" seems to apply to everything--except when we get behind the wheel of an automobile or a motor boat!!

I have been struck by the newspaper publicity given to certain events. A few months ago our Chicago papers were full of the story of an English exchange teacher who was brutally assaulted in a major Chicago park; fortunately she recovered. But for the 93 individuals killed in traffic accidents on Chicago streets so far this year, a few lines in the "obit" columns usually suffices. Why do we not feel the same sense of outrage in these latter cases? Have we become so calloused that we just don't care? Or are we simply reflecting the attitude that, because accidents are someone else's fault, they are no concern of ours?

Lastly, I firmly believe that continued progress in safety and accident prevention is possible; but if it is to come true, every individual must rededicate himself to this goal. Nothing less will suffice. As Americans we believe in life, liberty and the pursuit of happiness. Throughout the history of this nation Americans have fought to preserve liberty. Surely we will be willing to fight the same fight to preserve life and happiness--through safety and accident prevention.

E.7.1.

SYMPOSIUM ON WORKMEN'S COMPENSATION IN A DYNAMIC SOCIETY

UNIVERSITY OF WISCONSIN

Summary of Remarks Given by

William M. Douglas, President

International Association of Industrial

Accident Boards and Commissions

May 10, 1961, 1:30 P.M.

Wisconsin Center Building

FUTURE PROSPECTS - ROUND TABLE

As President of the International Association of Industrial Accident Boards and Commissions, commonly known as the IAIABC, I have been asked to address this symposium as a member of the panel on FUTURE PROSPECTS. May I point out that our active membership roster includes every Province of Canada, the Republic of the Philippines, New Zealand, Puerto Rico, and every state in the United States except Alabama, Louisiana, and Utah. We are very much interested in obtaining applications from these three states and I am hopeful that Utah will join the association this year; also I have information from Louisiana that a study is now going on in that state which may lead to their association with the IAIABC.

As Associate Members we have many of the leading Insurance Carriers, Industrial Organizations, Actuaries, Unions, Medical Associations, and law firms in the United States. We are grateful for the support of these organizations and I am happy to report that additional applications are being received from qualified companies every year.

While a number of my remarks may be applicable to all jurisdictions, you should understand at the outset that I am speaking about jurisdictions in the United States, since your symposium has been called to celebrate and recognize the fiftieth anniversary of workmen's compensation in the great state of Wisconsin.

During the twenty-one years that I have administered workmen's compensation in Hawaii, I deem it significant that in dealing with other leaders in this field I have yet to find the completely satisfied administrator, commissioner or director. They are striving to improve the laws in their jurisdictions, frequently under tremendous handicaps. Progress has been largely disappointing and, while a few jurisdictions have taken steps leading to more liberal benefits and modernization of operations, there remains a serious lack of standardization that our association in cooperation with the Council of State Governments and specialized consultants are trying to correct.

The Bureau of Labor Standards of the United States Department of Labor has appropriately taken the lead in calling attention to many of the more glaring deficiencies. For example, Bulletin 212 illustrates differences in the types of workmen's compensation laws, coverage, and benefits. Of particular interest to those of you who have an interest in the future of workmen's compensation is the last table printed in this bulletin. Only two states in the United States, Arizona and Hawaii, provided a weekly maximum equivalent to the average weekly wage reported.

Our benefit goal is clear; unless we get off our landing pads and provide realistic maximums for the victims of work injuries and their dependents, we will be faced with the possibility of federalization of our workmen's compensation system.

Nearly seven years ago my friend, Max D. Kossoris of the U. S. Bureau of Labor Statistics, in writing an appraisal of workmen's compensation in the United States, made the following statement concerning the outlook for workmen's compensation which almost is as true today as it was at that time:

> "The history of workmen's compensation development in the States does not encourage an optimistic view of future growth. In many States the basic statute is antiquated, holding fast (with some exceptions) to the more limited objectives of the experimental legislation of the early pioneers in this field. The laws, and the administration of them, generally have not grown with a more enlightened social point of view. Too many administrators continue to serve only as adjudicators of contested claims and--again with outstanding exceptions--are handicapped by the limited tenure of their appointments.
>
> "Few States have the necessary data to permit an adequate evaluation of what the law accomplishes, where it falls short, and what changes are necessary to keep it at socially desirable levels. Few States are in a position to gauge what, if any, additional costs would

be involved in liberalizing the benefit provisions of their acts--both in terms of benefits to offset wage loss and more liberal provisions for medical care and hospitalization. Few States are concerned with the rehabilitation of permanently impaired workers, and fewer still, with an active part in accident prevention.

"There is a need today for stronger public concern with the inadequacies of workmen's compensation legislation and its administration. In spite of the tremendous forward strides in other social and economic areas, our compensation legislation and administration, on the whole, lag far behind."

To those who would question my reference to the above criticism at this late date, may I point out:

1. There are still twenty-four states in the U. S. with elective workmen's compensation laws.

2. There are still twenty-nine states that make exemption for employers with less than a certain number of workers when every workmen's compensation administrator knows, or should know, that the employer who needs coverage the most is the small employer unable to finance compensation losses.

3. Only six jurisdictions (California, Connecticut, Hawaii, Ohio, Puerto Rico, and Vermont) provide coverage for farm workers in the same manner as other employees.

4. Nineteen states still cover only enumerated occupational diseases and two furnish no protection for such conditions.

5. Fourteen states still limit medical benefits necessitated by industrial injuries. The cost limitations range from $1,200 to $15,000, and the time limitations from 20 weeks to 5 years.

6. Approximately one-half of the states limit medical benefits in occupational disease cases. These limitations are on either duration or cost, or both.

7. Less than half of the States have a flexible provision relating to the time that a claim must be filed in order that the case may be given favorable consideration.

8. Five states have no subsequent injury funds.

9. Only seventeen states provide for special maintenance or other compensation to facilitate the rehabilitation of an injured worker.

10. Only ten states provide appropriate death benefits.

11. About half the states provide compensation for life in cases involving permanent and total disability.

12. Only two states provide 100% of the average weekly rate for maximum compensation payments.

13. Five states still have court administration of workmen's compensation.

It is with the above deficiencies in mind that I say to you that we must all renew our efforts to bring our workmen's compensation laws up to standard if we are to avoid criticism within and without the operational field of workmen's compensation. Along these lines, you should know that we are sponsoring action by the Bureau of Labor Standards to recognize those states whose laws meet or exceed the recognized standards. We hope that such recognition will be made for the calendar year 1961.

Please do not believe that the picture reflected so far is as remiss as it might seem. Many of the states are making maximum effort to comply with the recommended standards.

It is gratifying to note the support given by Unions, Insurance Carriers, Employers, and groups such as the Council of State Governments, International Association of Government Labor Officials, American Medical Association, and the IAIABC in behalf of the injured worker and his dependents. The outlook is favorable although by no means cause for complacency. The profits of gloom and doom have been with us for many years and will continue to look with disfavor on obvious progressive efforts to bring our laws up to standard. If we keep our eyes focused on the objectives outlined by the experts and refuse to be dissuaded from our goals, we will succeed where others have failed. I am confident the job is being done and will be completed within the next few years. To this end we must dedicate our efforts and refuse to reflect on the disappointments of prior years.

The future is bright to the extent of the efforts and energies we expend in the advancement of workmen's compensation objectives. I know you will all want to join in the development of this part of the history of the United States. To the accomplishment of these noble purposes we solicit your unswerving cooperation and support. Teamwork will get the job done quicker and better than isolated independent actions. Everyone must realize that accident prevention, occupational disability benefits and rehabilitation are the keys to success. We should not relax our attention from any one field of operations lest the other two become adversely affected.

You will note that I have purposely failed to discuss the Hawaii State Workmen's Compensation Law and the benefits provided, which are known to be as liberal as any provided in the United States today. Liberal benefits often nurture administrative headaches and I wish I had time to discuss some of these problems with you today. I will only say that such problems are the province of the administrator and should not be the concern of most people with interests in the field of workmen's compensation. I doubt that there is anything wrong with any workmen's compensation operation in the United States today that some liberal amendments and healthy appropriations would not cure. Let us continue to diagnose our own problems but seek the assistance of Labor Unions, Insurance Carriers, Medical Associations, Legislative Bodies, Legal Representatives, Employers and the Public

in obtaining the remedy.

May I take this opportunity to invite you all to attend the 47th Annual Convention of the International Association of Industrial Accident Boards and Commissions in Honolulu, November 12 to 16, 1961? We expect to have the most interesting and provocative convention ever held in the history of our association. There will be panel discussions and talks on accident prevention, medical problems, court decisions, changes in the workmen's compensation laws, rehabilitation, and other subjects to excite the interest of the conferees. We are also planning a number of educational and entertaining sessions which I am sure you will not want to miss. If you have not already received an advance notice, please write to our Secretary-Treasurer, Mr. Arthur Motley, Bureau of Labor Standards, Department of Labor, Washington, D. C., and he will see to it that you receive an invitation. The convention headquarters will be the beautiful Princess Kaiulani Hotel at Waikiki in Honolulu. If you have suggestions that will contribute to the success of our convention, please let me hear from you.

Thank you for your kind invitation to appear today, and as we say in Hawaii, "ALOHA NUI KAKOU."

INJURY AND RECOVERY IN THE COURSE OF EMPLOYMENT

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Presented May 10, 1961 at
University of Wisconsin Symposium
on "Workmen's Compensation in a
Dynamic Society," Madison, Wis.

INJURY AND RECOVERY IN THE COURSE OF EMPLOYMENT*

Anniversaries are a time for reminiscing and for looking ahead. My assignment in this symposium is to look ahead, but even a very brief review of the past provides some helpful perspective. The first thing that stands out in a review of the past is the rising rate of injury and death that made grotesque the continued application of the old common law rules of liability for work injury. It is helpful to recall that early 20th century setting, for in it workmen's compensation was a bold idea -- one that challenged the imagination in somewhat the way that discussion of rocketry does today. I recently attended a high school debate on the question: who is ahead in the space race? In 1914, the Yale-Princeton debate asked this question: should injured workers receive compensation without regard to negligence?

To the charge that workmen might malinger under a workmen's compensation system, the 1914 affirmative responded: "Even if they did, could they ever malinger enough to offset the wrongs workmen have suffered without compensation? Who is to pay the long account of selfish and brutal employers? Must workmen be saints so that employers may with impunity be devils?"

The Workmen's Compensation Idea

In this early atmosphere of crusading reform -- once so strong here in Wisconsin -- workmen's compensation -- our oldest, most authoritative social insurance -- was born. It was won the hard way, as state after state finally overcame legal traditions and constitutional objections, without the leverage of federal law or strong union support. But once it gained acceptance, the workmen's compensation idea -- that injuries are an incident of industry and should receive medical care and compensation without regard to negligence -- has not until recently been seriously challenged.

Its durability established, this principle of "liability without fault" proved flexible enough to enable workmen's compensation to adapt to the full range of modern working conditions and hazards. The originally narrow interpretation of that famous phrase "accidental injury arising out of and in the course of employment" has broadened to include the victim of occupational disease and the worker whose pre-existing disability is aggravated by his job. It has even brought benefits to a Denver University football player injured in scrimmage; to a New York office boy hurt when the paper clip he was shooting with a rubber band backfired; and to the widow of the California executive whose suicide was traced to a work-caused manic-depressive state.

Criticisms: New and Old

Only in the publicity they attract, however, do the exceptional and liberal applications of workmen's compensation overshadow the more common result:

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* This title and most of the material for this paper are taken from my forthcoming book, Injury and Recovery in the Course of Employment, New York: John Wiley and Sons, 1961.

inadequate benefit protection and obstructed rehabilitationof seriously injured workers. Nor have the results at these two extremes merged into same satisfactory average. Instead, they have produced two distinct criticisms, whose double-edge has made the status of workmen's compensation today more controversial and its future less secure than at any time since its earliest histroy.

Some of its critics contend that workmen's compensation threatens to extend to cover every disability, regardless of origin, whereas others emphasize that it is creating ever more serious benefit inequities and barriers to rehabilitation.

Interestingly, these criticisms of workmen's compensation arise at a time when three of its important traditional issues -- accident rates, compensation costs and the rate of benefit progress -- are less pressing than at any time in the past two decades.

The overall work injury record has been improving. In each year since 1940 (the unusually high tolls of the war years excepted) about two million Americans suffered a work injury involving at least one day of lost work time. But both the absolute and relative rate of injury is decreasing. An 8 per cent increase in injury rates in 1959 reversed this trend, but the overall record is still a favorable one. The injury severity rate has also declined, almost steadily, since the end of World War II.

The human toll is still large -- nearly 15,000 killed annually, some 80,000 persons disabled for life, and nearly two million disabled temporarily. Over one-fourth of these temporary disability cases extend beyond three weeks. Still, the record is improving, and while it is not as satisfying as it might be, the number of work injuries can hardly be a sudden cause for new concern with work injury compensation.

Owing partly to this decrease in accident rates, the relative costs of workmen's compensation are also declining. Although costs relative to covered payrolls have increased slightly in 1957 and 1958, they remain relatively low. Relative costs for 1958 are one-fifth lower than those of 1940, and despite substantial benefit increases in the past decade, they stand, at .96 exactly where they were ten years ago. Thus, although costs have risen in some jurisdictions, their overall burden hardly explains the renewed interest in compensation reform.

Nor can it be claimed that work injury compensation laws are making poorer progress toward their objectives than they have in the recent past. During World War II, workmen's compensation cash benefits tended to be badly outstripped by wage increases, but since that time the system has suffered no comparable relapses. Total benefit payments as a per cent of covered payrolls, .61 in 1958, are higher than any year since the end of World War II. Coverage, too, has improved. Although in 1956 at 78.1 per cent of the potentially eligible labor force, coverage was two percentage points below the peak of 1953, it was nevertheless 11 per cent above the 1940 level, and about equal to any year since the end of World War II.

The new criticisms of compensation, then, are not spurred by these long-standing issues in work injury compensation. True, much acute dissatisfaction with workmen's compensation still stems from its failure to

keep up with what has become economically and medically possible. Benefits have tended to lag behind wages and private disability programs; and while medical advances offer hitherto unhoped for promise of recovery and rehabilitation, the gap between promise and performance here is perhaps greatest of all. Moreover, the administration of workmen's compensation remains, in many jurisdictions, far too frail. The delays, costs and legal contests are still a drain on the system's goal of prompt, assured payment.

But added to these important issues which from its beginning have plagued workmen's compensation, are three new ones which push to the forefront the question of its very survival.

First, the traditional forms of work injury compensation are shrinking in importance. Workmen's compensation coverage has not extended to include those areas originally outside its jurisdiction. Instead both the compensation and the employers' liability jurisdictions are being increasingly covered by private disability plans, supplementary benefit programs, and even more important, by the extension of social security and railroad retirement laws into the area of disability.

Second, the cash-oriented administration and adverse incentives involved in workmen's compensation obstruct effective medical care and defeat successful rehabilitation. Even where a statute provides unlimited medical benefits, the care is often not adequate and frequently becomes involved in proceedings to determine cash benefits. Rehabilitation is not an official part of most laws, but even where it is, it is often defeated by the adverse incentives which the laws create. Rehabilitation has been made a hazard to cash benefit recovery.

Third, the legitimate subject matter of a work injury compensation program is becoming more and more difficult to define.

As the requirement of "accident" (trauma) is dropped and the compensation principle is extended to diseases (such as silicosis) attributable to work, and then further extended to diseases (or conditions) aggravated by work, establishing the causal relationship between the disability and the employment raises increasingly controversial questions. The more recent inclusion of heart, hearing, respiratory and circulatory diseases, and now the problem of radiation disability, have greatly added to the difficulty of ascribing occupational origin to disability.

In short, because work injury indemnity benefits have not increased fast enough, other public and private benefit programs are increasingly compensating disability. Medical care and rehabilitation, although they are still the most important objectives of compensation, are being hampered by the very laws which seek to attain them. And finally, because workmen's compensation has generally been liberal in assuming the occupational origin of disability (and because the etiology of disease is growing more complex), the laws are harder to administer.

So critics are asking: must not this system of diminishing importance -- which performs its major functions inadequately, whose administrative costs are increasing because of the many problems of gap and overlap it encounters with the growing number of programs encircling it -- soon give way to a new remedy if its admittedly sound objectives are to be realized?

A Unique Remedy?

The prediction that compensation will give way to some altogether new remedy for occupational disability may prove correct. It is tempting to consider how without the handicap of long accumulated problems some new system such as a unified social insurance program covering all disability could achieve both the original objectives of payment that is prompt, adequate, and inexpensive to obtain, as well as the more recently added goals of full medical and rehabilitation services.

But quite apart from the practicality and convenience of keeping the present system -- which does work, albeit imperfectly -- there is an impressive case for the proposition that workmen's compensation has a unique contribution to make. The merits of this position have been argued many times, particularly in European jurisdictions when integrated systems were being established.

The European experience provides strong precedent for singling out the occupationally disabled for special treatment -- even where a single social insurance system exists.

In his famous report on Social Insurance and Allied Services, Sir William Beveridge concluded that "On balance, the reasons for distinguishing between accident and industrial disease in any employment and other causes of injury, at least where death occurs or disability is prolonged, outweigh the reasons on the other side in favour of complete uniformity."

Four considerations support the case for separate and distinct occupational disability benefits:

(1) they are desirable assurances which help fully to compensate work in hazardous employments;

(2) they provide economic incentives for higher safety standards;

(3) they offer the only justification for limiting liability under the common law;

(4) they constitute payment for a special claim since work-caused injuries and fatalities occur while employees are acting under orders of their employers.

Evaluating Workmen's Compensation

But important as these arguments are, they may be brushed aside unless workmen's compensation performs more effectively. So we return to the criticisms mentioned earlier. Are they confirmed by the actual operation of the laws and the experiences of compensation claiments?

This evaluation is difficult because the facts and figures on workmen's compensation are very hard to come by. Only a handful of compensation jurisdictions seek to gather reliable, original claims data, and none conducts systematic follow-up studies of injured workers. It is not surprising, therefore, that a comprehensive national study of workmen's compensation covering the 54 greatly divergent laws has never been undertaken. Even the

most generous foundation support could not contemplate a thorough field study of all these jurisdictions. Nor has the U. S. Department of Labor been a likely candidate for sponsorship of such a study, since its Congressional rebuke for initiating "model bill" discussions some years ago.

But an alternative approach to comparative analysis can be developed using material from many published and unpublished studies, insurance data, and selected field surveys. The Institute of Industrial Relations, University of California, Berkeley, with the generous aid of the Ford Foundation, established such a research project in work injury compensation three years ago.

Personal interviews with over 1,500 disabled workers or their survivors in California assembled detailed information on their medical and indemnity benefits, their subsequent work histories, and their full financial situation. In order to make estimates of the effectiveness of workmen's compensation laws, a method was constructed for measuring the actual economic losses suffered by injured workers and their families.

The study included a comparative analysis of compensation and employers' liability jurisdictions, based on seamen's claims files from five major steamship companies, and from a large random sample of injury claims, from all Class I Railroads.

The study aimed at determining three issues: how successful is each of the systems in (1) restoring economic losses, (2) providing medical care, and (3) returning workers to their jobs?

The full analysis and findings appear in the forthcoming book, Injury and Recovery in the Course of Employment. The book makes several proposals, and these and others will be the subject matter of a second volume, a symposium on Occupational Disability and Public Policy, now in preparation, with some 15 contributors from the United States and Canada, some of whom are in the audience today.

Let me give you a few main conclusions of the study as they relate to my main assignment here today: New Horizons in Compensation Administration.

Employers' Liability vs. Workmen's Compensation

First, as you are well aware, there is some clamor for reversing the direction of the remedy, and adopting some of the discarded employers' liability approach.

The data from our study comparing employers' liability with workmen's compensation give neither aid nor comfort to this proposal.

These data show that injured railroad employees who successfully cross the coverage hurdle; who have obvious disabilities; who can withstand long delays; and whose claims, if contested, win, probably are better off under the Federal Employers' Liability Act than they would be under workmen's compensation. But there are workers at the other extreme -- barred from recovering for an injury where there was no negligence; deterred from filing claims; pressured into small settlements; without dramatic disabilities to sway a jury; unable to get good representation or to wait for a verdict; or

losers in a contested case -- for them the FELA can produce only bitterness and frustration.

Most temporarily disabled railroad workers fall between these extremes Protected by their unemployment compensation disability benefits and their medical care, they often get settlements which more than restore wage losses, and they may be better off under their present FELA protection than they would be under the workmen's compensation law of most industrial states.

Where there is permanent disability, however, FELA protection is more widely dispersed and less reliable. Perhaps the most telling comparison between workmen's compensation and the FELA is how each handles the most serious cases -- permanent total disability. Here a comparison shows that although about 18 per cent of the FELA cases received awards which exceeded $40,000 and none of the California cases did; that only 8 per cent of the California cases got less than $9,600 and 43 per cent of the FELA cases fell below that amount.

The experiences of seamen under the Jones Act, though differing in detail, present the same general picture. Temporarily disabled seamen with their trident of remedies are the best protected of America's industrial workers, but if permanently disabled, they must gamble on a system which tends to be costly to all parties no matter who wins, especially costly to those who lose, and sometimes unusually generous to those who win, whether they should have or not.

Even with all its inadequacies, workmen's compensation has proven itself a superior remedy to the ones it replaced. Why haven't railroad workers and merchant seamen demanded its protection? Because compensation progress has not been sufficiently widespread or uniform to offset the traditional benefits available to seamen and the attraction of large, if risky, awards under employers' liability procedures. While these factors together with inertia, have assured the continued life of these employers' liability systems, they do not reflect a weakness in the compensation principle itself.

Nor does the compensation for temporary disability cases pose a unique conceptual or legal problem. It can easily be handled by the present compensation system or by other systems, public or private, as indeed it frequently is. We know what needs to be done to make the system adequate; the Social Security Administration figures give us accurate estimates of loss and replacement; the standards worked out by IAIABC committees tell us what to do; the only problem is doing what we know needs to be done. That has proven to be difficult -- but discussing the legislative process is not my assignment today.

But there are three problems which seriously challenge workmen's compensation: survivorship benefits; occupational causation; and permanent disability compensation. I believe all three can be solved within the workmen's compensation framework, but not without careful legislative and administrative action.

The Low Estate of Death Benefits

Survivorship claims are more complicated than temporary disability claims as they involve both an issue of adequacy and equity.

The Institute study confirmed what many have suspected -- that death payments are the least generous in loss replacement of all workmen's compensation benefits -- and even seem to be losing ground. Just ten jurisdictions offer widows' benefits terminated only be death or remarriage, yet such annuities are the only adequate protection for survivors.

Why have death benefits reached such low estate? Certainly not because of their economic burden, since they are paid in but 1 per cent of the cases. And the customary explanation of resistence to benefit increases -- malingering -- is hardly relevant here. It may be that the fact of their small number has left these cases without strong legislative appeal and influence . But the main consideration surely is that the growing importance of survivors' benefits from other sources -- especially social security and private insurance -- has not been lost on the lawmakers. Reported instances of combined OASDI and workmen's compensation benefits which exceed lost wages are no longer rare.

The problem, therefore, is not whether survivorship benefit policies should take account of OASDI. They already do. The danger is that the need for coordinating the two systems of survivorship benefits will not be faced frankly; that for fear of being consumed by the federal program, state compensation lawmakers will officially ignore OASDI, while at the same time they refuse to provide compensation annuity benefits because of it.

It had already become obvious -- even before the data from the California survey confirmed it -- that permitting the two systems to continue side by side without coordination created serious inequities. While some widows receive overlapping benefits that restore more than wage losses, a great many are not covered by social security at all. When these widows face economic hardship, it is particularly unfair, because their limited compensation death benefits are in part due to the existence of OASDI benefits, which unfortunately they did not get.

These problems have begun to stir criticisms, and both the problems and the criticisms will grow. A parchwork or piecemeal approach to the problem will not suffice. What is needed is a coordinated program that fills in existing gaps to assure adequate protection while controlling overlapping benefits. It must start from the premise that OASDI survivorship benefits will constitute the nation's basic social insurance program for premature death and will seek to fill the primary economic needs of covered survivors. Its coverage gaps will be reduced, perhaps eventually eliminated. To this must be added the second premise that even if all coverage gaps in OASDI benefits are eliminated, there are important policy reasons for maintaining a distinct workmen's compensation death benefit, which can be offset by social security payments.

The study has proposed, in outline, what I believe to be an administratively feasible plan of integrating the two systems, consistent with these two premises, which would provide a solid measure of enonomic security to

widows at a reasonable cost.

Such a plan could follow an approach now used in Minnesota, which deducts from the lifetime compensation award of permanent totally disabled workers all social security benefits received by them after a certain compensation benefit has been paid.

For example, let us assume an annuity (terminated by death or remarriage) which paid two-thirds of the average wage earned by fatally injured workers in California and assume a widow, age 41, with children 10 and 6. Costs of such annuities can be estimated from published life and remarriage tables, discounted for present value, and in this case would be approximately $72,235. Her social security survivorship benefits, paid for 12 years during her children's dependency, and, after a nine-year lapse, her retirement benefits paid until her death, would be offset against the compensation annuity, and reduce its cost to $45,520. But cost of the annuity at age 41 is close to peak. For widows both older and younger the total cost of the compensation annuity would be substantially less. The social security offset would reduce this amount correspondingly.

On the other hand, the lower "offset" figure would not apply to those widows who receive no social security benefits -- primarily those with no minor dependent children. For example, the estimated cost of an annuity with the same restoration assumptions for a 22-year-old widow without children would be approximately $49,355.

The terms of the annuity might be designed to reflect the changing needs of the widow, restoring, for example, two-thirds of her losses during the period in which she has minor dependents, dropping to, say, 50 per cent restoration of losses thereafter. Or the amount might be set at two-thirds for the widows with children and 50 per cent for those without.

Although the estimated cost of the proposed annuities is considerably higher than the benefits now provided by nonannuity states, the total cost for the impressive measure of economic security they provide is relatively modest. Moreover, the actual amount which these annuities would add to total cost of compensation benefits would not be large. Death cases now account for approximately 10 to 15 per cent of all dollars spent in indemnity benefits, and all workmen's compensation costs represent a nationwide average of but 1 per cent of payroll costs. Thus, if the schedule of annuity benefits selected by any jurisdiction doubled its present average death payment, the effect of this cost increase would be small in its overall impact.

The advantages of this policy or a similar policy of benefit coordination are obvious: it assures an annuity to survivors and relates payments to need without overburdening the system. It meets the legislative problem squarely, and its passage would assure achievement of the proper objectives of a workmen's compensation policy for widows.

Relating the Disability to the Employment

What of the criticism often cited as the most challenging to workmen's compensation-- the increasing difficulty of relating the disability to employment?

The recent discussions of radiation disability have dramatized the difficulties physicians face in distinguishing between possibilities and probabilities in arriving at the cause of injury or disease. For exposure to this unusual hazard is not only difficult to measure, but its effects, if any, are often unknown, or they may not become manifest for years or even generations after exposure.

Of course, the problem exists, and has always existed in some degree, in all occupations. Every activity by which men earn their livelihood presents some hazard to physical or mental health, and all too often the symptoms of occupational illness or diseases cannot be readily distinguished from other disorders. This is true not only of jobs involving the hazards of advancing technology, but also, as Berton Roueché has pointed out of "...the fisherman's rheumatism, the waiter's fallen arches, the surgeon's hypertension, the miner's silicoses, the boilermaker's deafness, the bus driver's peptic ulcer, and the housemaid's bursitic knee."

Since the problem of identifying the occupational causes of disability is not new, why has it become acute at this point? Not because advancing technology has added newer hazards; actually more is known about these than the older ones, and greater safety efforts are being made in advance of their introduction than ever before, Rather, the problem has become intensified because of changes in the legal premises of the compensation system itself -- the gradual relaxation of the requirement for a causal connection between occupation and employment.

Reasons for Including Borderline Cases

The reasons why the law has taken this course are easier to understand than are the implications of the holdings. Partly it has been simply the process of liberalization and extension of social insurance protections which has been characteristic of the past quarter-century. Workmen's compensation has been generously helped in its move in this direction by the rise of an active plaintiffs' bar and the claims consciousness that is associated with it. The temptation to bring borderline cases under the protection of the long-established, secure compensation systems, whose costs (per dollar of insured payroll) are low, has been too strong to resist.

In retrospect, it seems clear that if social or private insurance protection against nonoccupational disability had existed, workmen's compensation would not have been under the pressures constantly to expand its scope.

Implications of Expanding Compensation Coverage

What are the implications of the libaralizing course workmen's compensation has followed?

Employers express concern that compensation laws may be led to cover more and more of the questionable cases, until they eventually become general disability laws which the employers will be required to finance. Others see this possibility of a general disability program as desirable, and perhaps the only rational possibility given the difficulties of administering a system that requires a demarcation of occupational and nonoccupational disability. In addition to those who foresee (either with alarm or favor)

a single system growing out of compensation, and those who predict that if it adopts firmer policies compensation will be able to continue within its present legal framework, there are those who advocate setting up separate systems to provide protection for just these types of difficult cases.

A special program for these difficult cases might solve some of compensation's problems, but it would create others. It would add new administrative difficulties to the already complex social and private economic security structure. It would present problems of integration with the existing systems. And it would raise serious equity questions. Why then should these cases receive special treatment simply because they present legal difficulties to compensation administrators?

A general disability program covering all nonoccupational cases would avoid these equity problems and would permit workmen's compensation to follow a more rigorous line, producing better claims and reemployment experience. But neither this type of social insurance protection, nor a more radical kind which covered all disability without regard to its cause, would completely solve the problem. For again, unless the experience of European countries is to be ignored, even under this latter program there would be strong reasons for identifying and providing more favorable benefit provisions for occupational cases.

In short, the problem of the borderline cases will probably be part of any system; and its severity will depend upon the degree of protection provided nonoccupational cases and therefore the degree of incentive beckoning workers with borderline cases to claim occupational disability.

Evidence examined in the study (which I do not have time to present) suggests that the problem posed by borderline cases is not a major drain on the system, as is often contended in popular discussions. Only a small percentage of compensation cases are actually involved and an even smaller percentage of compensation costs.

The major problem posed by these borderline cases is not a financial one; it is the adverse effect on rehabilitation and work incentives of the controversies they create. The nondeath cases are often in contest and workers involved are under uncertainty and threat. The long-term effects of this situation far outweigh the costs of including these cases under compensation. If the controversies could be substantially reduced and rehabilitation incentives provided, the most serious aspects of the problem could be eliminated.

But can a general foundation for rehabilitation and work incentives be built into the system? This is not a problem peculiar to heart or borderline cases, but is part of the basic compensation problem in permanent disability cases.

Compensating Permanent Disability

Permanently disabling injuries are unusually difficult to compensate under a mass social insurance program. Consider the handicaps affecting workmen's compensation from its inception.

The difficulties begin with the conceptual basis for permanent disability benefits -- the premise that following healing, there remains a disabling condition which will remain more or less static and unchangeable for the worker's lifetime. This concept may in some cases apply without difficulty to loss of a hand or foot. But many of the ways in which an accident affects the body or disease manifests itself, permit neither concise definition nor objective measurement.

Determination of the extent of permanent disability, or indeed, whether or not permanent disability exists at all, depends upon the degree to which a compensation law (or its interpretation) recognizes symptoms which can not be measured by objective standards.

The difference in definitions of permanent disability among the various jurisdictions is indeed startling. Permanent disability cases as a percentage of all compensable cases range from 5.6 per cent in Hawaii to 65.3 per cent in New Jersey. While certain other factors (chance variations in accident experience, industrial location, safety practices, etc.) influence these figures, there is no doubt that the interpretation of the term "permanent disability" which has evolved in each jurisdiction is the most important factor involved.

What Loss is Being Compensated?

What is permanent disability compensation really paying for? Is the claimant entitled to benefits because he has suffered an actual loss of wages, or because the injury threatens him with future economic loss? Or quite apart from loss of wages, should he be compensated because he has sustained a physical, anatomical or functional loss, with concommitant personal suffering?

When workmen's compensation replaced employers' liability, the vagaries of jury decisions had to be replaced with a rationalized benefit system, which answered these questions with principles that could be uniformly applied. If it was to relate benefits to losses in a rational and equitable manner, workmen's compensation had to define the loss being compensated, and distinguish between varying degrees of that loss in individual cases. But the answers to these questions are still anything but clear, a half-century later.

For example, when there are simultaneous multiple injuries, or, as is more often the case, when injuries and conditions resulting from them do not fit the commonly-used disability schedules, the schedules may raise more complex problems than they solve. Even when the injuries fit the schedule, their economic effects in individual cases often do not. Since the economic consequences of a given disability vary from person to person and among occupations, the schedules often produce serious inequities by paying identical benefits whether economic losses are negligible or overwhelming. Further inequities occur when the cases which cannot be made to fit the schedules are individually considered; these are frequently required to demonstrate present and possibly future wage loss in order to win any awards at all.

Controversy Over Claims

Since benefits in a permanent disability case involve substantial sums of money (lifetime payments may exceed $150,000) there is a strong

incentive for insurance carriers carefully to scrutinize claims, and to contest those considered questionable. This propensity to resist claims, which varies among carriers, is in part justified by them as necessary because the procedure which often puts a premium on the showing of dependency, leads to exaggerated claims.

As a result, a high proportion of permanent disability claims are contested, many of them going through appeals and even eventual court decisions. A series of questions must be answered: Does the symptom, or impairment, really exist? How serious is it? Will it continue? Was it caused, or aggravated, by the occupation? Finally, if the answer to these questions is found to by "yes," what should the benefits be?

Answers to the first three questions must come primarily from doctors. But the medical information needed may be as much in the realm of opinion as fact. And the opinions are sought in highly controversial fields, where knowledge is often limited. Subjective rather than objective symptoms, which do not lend themselves to measurement, characterize many very real disabilities. Two altogether disinterested physicians might reasonably supply very different answers to any of these questions. But unfortunately, medical testimony in these cases often comes from physicians who have been retained by either the claimant or the insurance company. Unless it were known in advance they would testify in favor of the retaining party, they would not be called as witnesses. Thus under compensation procedures these questions are often answered with information supplied by doctors practicing, in Dr. Kessler's famous phrase, "courthouse medicine."

Since few permanent disability claims involve symptoms that can be readily rated into precise numerical or schedule terms, in these cases a frequent prerequisite to winning an award is the demonstration of impaired earning capacity. A subjective complaint that will not show up on an x-ray, for example, is often examined by the next best evidence: that is, by the extent of the economic loss -- present and future -- of the injured worker. Since very substantial sums of money may be involved and medical testimony is often in conflict, the situation stirs controversy and tends to debilitate the worker's incentives for prompt rehabilitation. This is probably the most vexing of compensation's permanent disability problems.

The Problem of Equity

But even after the possible conflict over the degree of physical impairment is resolved, the basis on which permanent disability benefits are to be paid is open to serious question. For although in principle these payments are intended to compensate for lost earning capacity, in fact they cannot consistently do so because the economic effects of disability in individual cases bear no consistent relationship to the degree of physical impairment.

Actually it matters little that each individual's future economic recovery cannot be predicted. It would not be feasible under a mass uniform benefit program to tailor benefits to the needs of each case, even if it were theoretically possible. Some persons need much more than they receive and others receive benefits who do not need them at all.

These equity problems might be overlooked as an unwelcome but necessary price to pay for efficient claims handling, if benefits were high enough for those in need. Assuming adequate benefits, the possible injustice of paying like amounts to individuals with comparable physical impairments but without comparable economic losses might be a small evil in a program as complicated as workmen's compensation. (And the relative inequities are small compared to those committed under the employers' liability system, where recoveries range from very high to none at all.)

But, of course, the benefits are not high enough for those in need.

Thus arises the paradox of permanent disability compensation: on the one hand, historically it has not been possible to enact benefits sufficiently high to cover both the cases that suffer economic loss and those which do not. But on the other hand, it seems impossible accurately to predict those cases that will and will not suffer permanent wage losses so that in individual cases benefits can be more equitable realted to losses. Doubly ironic is the interaction between the parts of this dilemma (if the parts of a dilemma may be said to interact): the inability to identify economic loss provides legislative argument for holding benefit levels down, since some workers are already too "generously compensated."

The Problem Restated

Reduced to its basic terms, the permanent disability problem emerges because many injuries defy rational disability rating and because recovery -- physical and economic -- cannot be predicted. The problems set in motion by these two difficulties create barriers to rehabilitation. Since temporary benefits are low, there are pressures in minor cases for permanent disability ratings and also pressure by workers to keep their healing benefits until they can get a job. And where there is real permanent disability, but a dispute over the size of the claim, the injured worker may actually avoid a job in order not to lose his award -- an award which looks more real to him in this moment of anxiety and insecurity than the possibility of rehabilitation or a tenuous job. This is quite different from malingering. The need for lawyers helps to reinforce this behavior. For their part, carriers resist claims, or at least minimize their size, when the liability involved cannot be measured. They are convinced of the need for this by the fact that workers have an incentive to maximize these claims. Quite often employers are disturbed by these controversial cases and conclude that it is the best policy to sever the employee involved from the payroll.

Consequently, the handling of these permanent disability cases has succeeded in completely upsetting the desired incentives, and everyone in this situation finds it in his best interest to do the things that most discourage rehabilitation: the injured worker does not want to be rehabilitated; the insurance carrier does not want to recognize his claim; the employer does not want to retain the injured worker in his employ.

Is it possible to solve these problems of the permanently disabled within the framework of the workmen's compensation system? Is it possible for workmen's compensation to develop an equitable measure of permanent disability benefits flexible enough to accomodate varied human and economic

effects of disability, adequate, yet prompt and efficient enough for mass administration? If not, workmen's compensation may be forced to give way to an alternative system, for work injury compensation must be judged by its ability to achieve theeconomic restoration of permanently disabled workers. But before we abandon hope for workmen's compensation, can we not make a serious effort to make it work? I beleive it is possible, but not without changing the present administration of benefits and rearranging the incentives to assure workers reemployment after injury. While some of the changes here proposed may seem extensive in the light of present practices, in reality they merely go back to the assumptions underlying the adoption of the original system.

A POLICY PROPOSAL FOR WORKMEN'S COMPENSATION

For workmen's compensation effectively to restore its permanently disabled, the system must proceed from these three premises:

(1) Compensation administrators must undertake full responsiblity for supervision of the entire system to assure prompt, inexpensive and certain benefit payments. This means active responsibility for their major mission: the physical rehabilitation and economic restoration of injured workers, including direction of medical care and control of rehabilitation with careful follow-through case by case;

(2) disability rating procedures must be clarified and rationalized so that rehabilitation incentives are not undermined; and

(3) the rehiring of their disabled workers by employers must become the normal, expected and automatic end of the system.

Methods for accomplishing the first objective have been discussed earlier in this symposium. How can the other ends be achieved?

First, when workmen's compensation attempts to rate the residual degree of permanent disability, it must acknowledge that while rating physical incapacity is difficult, rating occupational incapacity is impossible. It follows that the attempt to reflect occupational incapacity in permanent disability rating (either in detailed percentage ratings or in schedules) should be dropped.

Instead, the system should adopt permanent disability rating procedures that seek to determine physical incapacity alone. Even this assignment is far from simple. Precise rating must be recognized as impossible, because all ratings at best are based on imprecise medical judgments, and because of the many subjective factors involved. What is proposed here, however, is that these difficulties be faced squarely; that ratings be made, not in fine degrees or in precise schedules, but within ranges. An injured worker would be rated within one of eight or ten groups, each spanning 12 or 10 per cent of rated physical incapacity. The law would simply provide for an injury falling in group A, or B, etc., instead of rating an injured worker 16 or 17 per cent disabled.

Second, once a permanently disabled worker is rated within one of these groups, he would become entitled to two types of benefit protection (aside from his unlimited, rehabilitation-oriented, supervised medical care):

(1) An indemnity benefit the size of which would increase with each disability category, to be paid in the conventional fashion.

(2) An incentive assurance to help guarantee his reemployment, the duration of which would increase with the seriousness of the injury.

The size of the indemnity payment could be the average now paid to injured workers in the range of disabilities covered in an up-to-date law, or better, could begin at the low end of that range for the "A" category cases, and increase as the disability became more severe.

THE REEMPLOYMENT ASSURANCE

More important, at this stage of the discussion, is the second aspect of the benefit -- the reemployment assurance. This would simply provide that any employer who does not rehire a permanently disabled worker after his condition is rated stationary becomes liable for a sum equal to the employee's cash benefit, and this liability cannot be passed on to a carrier. Where the employer is self-insured, the liability could simply be doubled and thus produce the same effect. The money could be used to offset the costs of a rehabilitation supervision program. Reemployment would be at least at former wages.

To keep this incentive provision from becoming an unjust penalty on employers who for reasons beyond their control cannot rehire their disabled workers, they would be permitted to show cause why they cannot discharge this responsibility. Thus in instances such as very small establishments where the jobs are so few and the nature of the injury such that reemployment, even with vocational rehabilitation, would be impossible, the employer could show cause and be thus relieved of the penalty payment for not rehiring his injured worker. The worker would, of course, receive his cash benefits, and would be promptly identified as in need of vocational rehabilitation.

Among other acceptable reasons for cause might be, for example, seasonal nature of employment, or declining employment. If, for personal or career reasons, an injured employee chose not to return to his former employer, the penalty peyment would not apply.

The point is that where the employer does show cause, and where the employee chooses not to return (and in those very few instances where the employer cannot show cause but chooses not to rehire the man anyway) these cases will have been identified at an early stage as in need of vocational rehabilitation.

An Alternative

To maintain simplicity the proposed reemployment requirement could be made uniformly applicable to all employers and the penalty payment made part

of the manual insurance rate, thus spreading the cost throughout the rating base. Since this approach would require no showing of cause or hearings, it would be simpler and less expensive to administer. For it to succeed, however, the insurance rate would have to be a strong incentive to reemployment, yet not be unbearably burdensome to smaller employers.

Advantages of the Proposal

The main advantage of such an approach to rating and compensating permanent disability is that the economic incentives are rationalized, restoring strong rehabilitation inducements to the program for the injured worker as well as the employer.

When employers are given the economic incentive to rehire injured workers, it seems safe to assume that the overwhelming majority of injured workers would be restored to their former jobs, or at least to some part of their former jobs. And this restoration would be under the conditions rehabilitation experts agree are most conducive to success -- the injured worker's accustomed surroundings.

The proposal does not seek an untried end. The California survey data have shown that an encouraging number of employers are already doing what is proposed here, and that the great majority of workers are capable of going back to their former work or similar work with the former employer.

One immediate by-product would be that the cases requiring vocational rehabilitation would be promptly identified, and the assumed back-log of these cases substantially reduced. Workers who cannot return to their former jobs (for whom employer shows cause or pays the penalty for not accepting) or who choose not to, will be
a far smaller number of cases for restoration than the backlog of cases who now may never reach rehabilitation counselors and facilities. By providing this limited number of cases with maintenance payments (already provided in about one-third of U.S. compensation laws) and effective vocational counseling, this system could offer an effective course of rehabilitation.

Its focus on a return to former employment makes the proposed system superior to the present rating system from the workers' point of view. Also of special value to him is the proposal to base benefits on physical incapacity alone. The worker would not have to make the choice between maximizing his injury to increase monetary compensation and minimizing his injury through rehabilitation at the risk of diminishing or terminating his compensation. Once his award was determined, it would not be reduced or cut off if he found employment, as can happen today.

Given the groupings of the disability categories, and the fact that the ratings would be frankly physical, disagreements over rating, though not completely eliminated, should be substantially reduced. No longer would every case raise borderline rating issues. Although borderline cases would still exist, there should be far fewer of them. Furthermore, relieved of the fear of economic disaster, workers would have less incentive to exaggerate disability and to magnigy claims. Knowing that reemployment was available, they would seek to go back to their full earning power as soon as possible. In other words, the filing of claims would not mean the beginning of the end of their jobs, thus spurring the desire to get the biggest possible awards.

With assurance, workers could look forward either to their reemployment or rehabilitation prospects.

Just as claimants would have reduced need to exaggerate claims, so insurance companies would have reduced need to resist them.

Precedent for the Proposal

While this proposal departs from present compensation administration, precedent for it exists not only in practice but also in the law itself.

The California insurance code prohibits insuring against the additional amounts payable under workmen's compensation law when there is a finding that an employer is guilty of "serious and willful" misconduct, or that an injury has occurred to an illegally employed minor. The Florida law has a similar provision for child labor.

A strong precedent is the Wisconsin provision that any employer who demands oppressive physical standards (or discriminatory physical examination) can be denied his experience rating credit.

Perhaps the clearest precedent of all is the practice of adjusting an employer's insurance costs according to his experience rating. If the law permits a penalty for poor accident frequency and severity records, why not a similar one for a poor reemployment record?

There is precedent for the program in a more fundamental sense as well. After all, the basic intent of compensation law is that costs of occupational disability be absorbed in the production processes. Thus firms could not argue that they were at a competitive disadvantage if each of their competitors were required to absorb the costs of their injured workers in this way. There is ample evidence to argue that by reemploying their injured workers firms would not incur greater long-run expense and in fact might well enjoy reduced compensation costs.

Since the proposed permanent disability rating and benefit policy would neither make definition of the disability less certain, nor disrupt established underwriting procedures, it would cause no special problems to carriers and self-insured risks. It would put an even greater premium on safety consciousness in the plant.

Unsolved Problems

The proposed system does not pretend to solve all of the problems associated with permanent disability rating and benefit administration. Even if all that is hoped for were acheived, for example, the system would not be able to improve the fate of those for whom a return to work was completely impossible. Although there are few such cases, they do exist. The rehabilitation of those cases in which the employer shows cause, or in which the worker chooses not to return would continue to present problems, but these could be more effectively handled once their numbers were reduced and the cases promptly identified. Of course, there will always be cases in which some exaggeration of disability is attempted, cases of "problem workers", and instances in which continuing jurisdiction is necessary to

assure appropriate benefit protection. And there will probably always be some employers who, for whatever reason, will try to avoid rehiring a worker injured in their employ.

A similar conclusion applies to the cases of "subjective" complaints. The premise of the proposal is that the number of these cases would be reduced when the work alternative is real, and the controversies lessened. Supervised medical care would undoubtedly assist. Even if this is true, however, these cases will continue to arise and to cause the old problems, and it seems doubtful that any system can ever hope fully to solve the issues they involve.

Effect on Initial Hiring

Would employers (faced with the prospect of providing continued employment to workers who become injured) discriminate against workers with a history of disablement when looking for new employees? This possibility is real enough to require that strengthened subsequent injury funds be made part of the proposal. But it should also be noted that if an employer was able to demonstrate that a worker was unable to perform a suitable job satisfactorily, this, of course, would be sufficient cause to release him. The issue of what is satisfactory performance has caused little problem to the employers who currently reemploy their injured workers.

Wage Losses of the Permanently Disabled

These proposals grow out of the actual experiences of injured workers as revealed by the California survey which found that fewer numbers of permanently disabled workers suffered permanent wage losses than had been generally assumed, but for those who did, the loss was greater than might have been assumed. For example, in a sample of workers with 1-19 per cent permanent disability ratings, 80 per cent suffered no permanent wage loss; in the 20-69 per cent group, 57 per cent suffered no permanent wage loss; even in the 70-100 per cent disabled group, 18 per cent suffered no permanent wage loss. In each of the samples studied, in about 15 per cent of the cases, it was impossible to place the disabled workers in either group, because extraneous factors entered the situation: subsequent accidents, retirement, death, or insufficient information. Thus, the permanent wage loss cases -- those presenting the greatest problem for workmen's compensation -- are limited to about 7 per cent of the minor permanent partial cases -- the largest category of permanent disability cases. The major partial permanently disabled group include about 27 per cent with permanent wage loss, and the group with permanent total disabilities, some 67 per cent -- but these most seriously injured groups involve much smaller numbers of workers.

On the other hand, the wage losses in dollars for those who suffered them were very great, ranging, in the median case, from $27,500 for the 1-19 per cent disabled, to $42,000 for the major permanent partials to $47,000 for the totally disabled.

Total workmen's compensation payments in California for the permanent partially disabled made virtually no impact on these losses, replacing less than 10 per cent in the median case; for permanent total cases, because

of the life pension, the replacement figure was greater (36 per cent) but still grossly inadequate.

And, interestingly enough, there was no significant difference between workmen's compensation payments to those with no permanent wage loss and those with staggering permanent wage losses.

But, as we have seen, the incredible inequity thus presented cannot be rectified simply by awarding larger money benefits to those with greater economic losses. The proposal presented here tries to cut the gordian knot of assuring equity to those who would ordinarily suffer the greatest wage loss, by offering a benefit that guarantees rather than undermines economic restoration.

The above paper printed with the permission of the publishers of Injury and Recovery in the Course of Employment, New York: John Wiley and Sons, 1961.

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SYMPOSIUM ON WORKMEN'S COMPENSATION IN A DYNAMIC SOCIETY

UNIVERSITY OF WISCONSIN

Summary of Remarks Made by

Arthur W. Motley, Director

Bureau of Labor Standards

U. S. Department of Labor

On May 10, 1961, at 1:30 P. M.

Wisconsin Center Building

FUTURE PROSPECTS - ROUND TABLE

The Future of Workmen's Compensation

The next ten years will bring changes to workmen's compensation--changes greater than the field has experienced in the past 40 years. I believe it is our role to anticipate the problems that will occur so that we will be able to experience a gradual shift and not an upheaval. There are several factors that are responsible for this transition and one is the change in the labor force which must be taken into consideration. An analysis of the labor force changes expected in the 1960's reveals that:

1. Total population is expected to rise from 180 to 208 million--a 15-percent increase over the past decade.

2. The number of young persons reaching 18 years of age will increase from 2.6 million per year in 1960 to 3.8 million per year in 1970.

3. The 18-21 age group will expand from less than 10 million in 1960 to nearly 15 million in 1970.

4. The labor force will see the largest increase of any decade in our history--from 73.6 million in 1960 to 87.1 in 1970. This is most significant. If we are unable to reduce our injury-frequency rates and they hold at their present levels, the volume of work injuries will continue to rise in proportion to the increase in employment. If this is the case, we could have a minimum of 340,000 more disabling injuries in 1970 than we had in 1959.

Is our present workmen's compensation system geared to absorb this additional workload? I think not!

The principal reason for my believing that the system as we have it today is not adequate is the change in philosophy on the part of the American public. The advent of social security, unemployment insurance, temporary disability insurance, private pension systems, and group medical policies have all had their part to play in changing the public and the worker's philosophy as to what is expected from workmen's

compensation. If a worker suffers an injury while at work, he expects that the benefits will be adequate to cover his family responsibilities and that he should not be expected to shoulder the load.

Our present system leaves many thousands of workers unprotected by a workmen's compensation law because of coverage limitations, numerical exemptions, and the fact that about half the laws are elective rather than compulsory. Estimates of the number of workers covered under the State and Federal systems vary. A recent estimate of the U. S. Department of Health, Education, and Welfare states that during an average week in 1959, 42.0--42.5 million workers were covered under the State and Federal programs.

What are the alternatives for the future?

We can visualize the workmen's compensation system as following one of three routes into the future. These routes are: (1) continue as a State system; (2) integrate with the social security system; or (3) federalize into one unified workmen's compensation system. Let us examine these possibilities in turn.

Continue as a State system--In order for workmen's compensation to continue as a State system and satisfy the needs of labor and management, it must modernize. None of our present laws may be looked to as a "model." Of the 52 workmen's compensation laws (including the District of Columbia and Puerto Rico):

1. Twenty-eight jurisdictions have compulsory-type laws for coverage of private employment.

2. Twenty-four jurisdictions make no numerical exemptions.

3. Eight jurisdictions cover agricultural workers in the same manner as other private workers.

4. Thirty-two jurisdictions cover all occupational diseases.

5. Six jurisdictions provide maximum compensation for temporary total disability for a worker,

wife, and two dependent children equal to at least two-thirds of the State's average weekly wage as reported under the unemployment insurance act.

6. Thirteen jurisdictions pay benefits during the entire period of temporary total disability.

7. Thirty jurisdictions pay benefits for life or for the period of disability in cases of permanent total disability.

8. Ten jurisdictions pay benefits to widows until death or re-marriage.

9. Thirty-seven jurisdictions provide unlimited medical benefits for accidental injuries.

10. Twenty-eight jurisdictions provide unlimited medical benefits for occupational diseases.

11. Seventeen jurisdictions have provisions for special maintenance or other compensation to facilitate rehabilitation.

12. Seventeen jurisdictions have a broad type second injury fund that will cover all types of permanent physical disability likely to be a hinderance or obstacle to employment.

If the State systems are to continue into the future without increasing pressures to shift into other patterns, all of the laws must: (a) apply to all workers; (b) provide for complete coverage of occupational diseases; (c) provide for complete medical care including rehabilitation, with authority for supervision of medical care by the workmen's compensation agency; (d) provide fair and reasonable indemnity compensation; (e) provide adequate death benefits for dependents; and (f) make waivers invalid.

These provisions must be in a well defined law with clear-cut rules and regulations which will permit the insurance carrier and the employer to fulfill their part of the contract in an expeditious manner. Payments are

delayed today because of uncertainty--an uncertainty as to interpretation of the law and of the rules and regulations. This must be corrected.

The administration of the State workmen's compensation system should also be removed from the political arena. The scramble for appropriations and the turnover in administrators are not conducive to an adequate system. These changes in personnel also delay the handling of benefit payments. It has been recommended many times that workmen's compensation and accident prevention activities be financed by assessments on insurance companies and on self-insurers. The States that have adopted this method of supporting their systems have made their programs less susceptible to the whims of political expediency. This system also permits long-range planning which is not possible in States where each year's plans are dependent on that year's appropriation.

The personnel should be under civil service because it is important to have trained and experienced people as administrators of these laws and to provide tenure for them. Members of workmen's compensation boards or commissions should be appointed for long terms and not be subject to arbitrary removal for political reasons.

It is possible that the State system to endure will require some type of a Federal minimum standard act in order to meet the demands of the future. With our modern rapid transportation, men are transferred from State to State in a matter of hours and the next decade promises even greater advances in this respect. State boundaries should not affect a man's rights should he be injured. Minimum standards that would be applied to all State laws are worthy of careful study. The adoption of Federal minimum standards have been resisted by many groups but it may be the only basis on which a State system will be accepted during the next decade.

The second possibility is to <u>integrate with social security</u>--There has been a certain amount of overlapping between State workmen's compensation programs and social security ever since the latter program became effective in 1935. In 1954 Congress extended this overlapping by

incorporating a disability freeze into the social security program. The "disability freeze" permitted workers who were disabled over long periods of time to disregard those months of disability in determining their average monthly wage for old-age and survivors benefits. This legislation added disability to the already overlapping death benefits.

In 1956, Congress enacted legislation permitting payments to totally disabled persons age 50 and over by the social security program. The law provided an offset against workmen's compensation benefits.

In 1958 the offset provision was deleted by Congress and in 1960 the age 50 limitation was removed. This legislation provided a further overlapping of benefits and the trend has not stopped.

In February 1961, H.R. 4571 was introduced in Congress, which would further broaden the scope of the social security program. This bill included a section which would change the present definition of disability from permanent total disability so that it would include disability of a temporary nature.

These developments are real--they are not just some vague idea in a research paper. We do not believe that this trend in duplication of benefits will continue without challenge and we believe that it depends on the States as to whether indemnity benefits under workmen's compensation are to be absorbed by the social security system.

The third possibility is <u>federalization of the complete system</u>--Congress has before it today two bills, either of which if enacted would federalize the administration and standards of all injuries caused by radiation. These bills are H.R. 1267 and H.R. 2731 introduced by Mr. Zelenko of New York and Mr. Price of Illinois. In discussing the bill he said:

> "Fifty years of experience in workmen's compensation within the United States makes brilliantly clear the fact that our State governments will be unable to protect workers from the hazards of radioactive material. Neither in the areas of adequate benefits, medical care, rehabilitation, nor in administration will the States provide

adequate protection to workers injured from exposure to radioactive material.

"Where the States have been unable to meet their responsibility, the Federal Government has assumed its obligation. Many years ago the Congress of the United States extended the protection of workmen's compensation to the longshoremen through the Longshoremen's and Harbor Worker's Compensation Act because the States were unable to do so. In the same manner workers who are exposed to radioactive materials should be extended protection under Federal law...."

It might be worth our while therefore to take a quick look at the coverage extended to some of our more common occupational diseases such as silicosis or berylliosis. There is a certain similarity between these diseases and the diseases caused by ionizing radiations such as: The symptoms take a long time to make themselves manifest; exposure may come from many employers in many States; and the diseases are progressive.

Treatment of Dust Diseases Under Present Systems Coverage

Today, while every State has a workmen's compensation law applicable to accidental injuries, the laws of two States, Mississippi and Wyoming, still do not cover any occupational diseases. Some or all dust diseases are covered under the other 52 workmen's compensation laws--those of 48 States, Puerto Rico, the District of Columbia, and the two Federal laws. Of these, 34 laws provide comprehensive coverage. Thirty States, the District of Columbia, Puerto Rico, the Federal Employees' Compensation Act, and the Longshoremen's and Harbor Workers' Compensation Act cover all occupational diseases. Two additional States, Alabama and Louisiana, specifically list pneumoconiosis, while New Hampshire lists silicosis and other pulmonary dust diseases. The remaining 15 laws specifically cover silicosis, or silicosis and one or two other specified dust diseases. Silicosis has the unique position of being the only occupational disease covered under all 52 laws that have coverage for occupational diseases.

Compensation Indemnity Benefits

The provisions regarding benefit payments in the case of occupational diseases are usually the same as for accidental injuries. However, some States do not pay benefits for partial disability resulting from occupational diseases, and a few pay lower benefits for other types of disability and for death.

Further restrictions are found in 20 States, in which benefits payable for silicosis or asbestosis are subject to limitations not placed on other occupational diseases.

Medical Benefits

Under all workmen's compensation acts, medical aid necessary to relieve his suffering and to restore the worker to health is required to be furnished to employees disabled because of an accidental injury or an occupational disease. In general, the laws provide the same medical benefits for occupational diseases as for accidental injuries. However, there is one notable exception in that several States still place arbitrary time or money limitations upon medical aid for certain dust diseases, particularly silicosis.

Twenty-five States, the District of Columbia, Puerto Rico, the Federal Employees' Compensation Act, and the Longshoremen's and Harbor Workers' Act give full medical aid for accidental injuries and for covered occupational diseases, including the dust diseases. In 15 additional States, the law sets medical benefits for both accidental injuries and covered occupational diseases, but provides period-of-time or monetary limitations, or both.

The remaining 8 of the 52 laws that cover occupational diseases set a limitation for all occupational diseases or for the dust diseases only.

Requirements for Exposure

Approximately half of the State laws contain exposure requirements which provide, in effect, that the worker is not eligible for compensation unless he has been exposed to

the dust hazard for a specified length of time. In most of these States, the laws specify that the disablement is not due to the nature of the occupation, and hence not compensable, unless during the last ten years preceding disablement the employee was exposed to dust for a specified period, part of which must have been in the State. The specified period for exposure is usually 5 years, although 2 years is not uncommon and the time of exposure within the State is most frequently set at 2 years.

Time Limits on Manifestation of the Disease or the Disability

A further requirement found in many State laws is that an occupational disease, in order to be compensable, must manifest itself within a certain period after the last exposure, or after the last day of work, or, in the case of death benefits, must follow continuous total disability for a specified number of years; in other words, a worker who becomes afflicted with an occupational disease after the specified time period from his last exposure is not eligible for compensation.

Time Limits on Claim Filing

Another requirement that the worker must meet is that of filing his claim for compensation within a specified period of time. The laws vary greatly, both as to the point from which the time limit runs and as to the length of time allowed in which to file after that point. Approximately one-half of the jurisdictions allow one year in which to file claims, and either six months or two years is allowed in most of the remaining jurisdictions. The point at which the time limit starts in over half the jurisdictions is the date of disablement or injury, with most of the remaining jurisdictions providing that the period shall run from date of exposure, last payment, or diagnosis.

In the case of silicosis and other dust diseases, it is not the time limit itself, but the point at which the time begins to run that may create unnecessary hardship. For example, in several jurisdictions the time

limit begins to run after the date of last exposure to the dust hazard. Even if the time allowed for filing after last exposure is generous, this time limit may expire before the worker has become disabled or has knowledge that the exposure was injurious.

There are other components that we could examine, such as waiver provisions and subsequent injury funds; but this is enough to show that the picture of the handling of dust diseases in the workmen's compensation system is not good.

Conclusion

I am not suggesting that we should adopt a Federal System of compensation. The Department has always taken the position that workmen's compensation should remain a State matter, and I share that view. We in the Department of Labor want to be of service to the States and to help in any way we can to ensure that State workmen's compensation systems meet the test that the early drafters of this legislation envisioned.

School for Workers
Extension Division
University of Wisconsin

October, 1961

Workmen's Compensation

This course is sponsored by the Beloit Vocational and Adult School in cooperation with the School for Workers

October 5: Historical Development of Workmen's Compensation Legislation
--Emory Via, School for Workers

October 12: Workmen's Compensation in the United States Today: types of benefits, insurance, administration.
--Emory Via, School for Workers

October 19: The Provisions of the Wisconsin Law: benefits, claims, appeals.
--Emory Via, School for Workers

October 26: Rehabilitation: human, legal, and administrative problems.
--O. H. Richter, Senior Supervisor, Wisconsin State Board of Vocational and Adult Education, Rehabilitation Division.

November 2: Safety-what the law provides, worker attitudes, safety education programs.
--R. E. Puphal, Deputy of Industrial Commission, Industrial Safety and Buildings.

November 9: The Provisions of the Illinois Law: benefits, claims, appeals.
--Phillips Garman, Coordinator of Extension, Institute of Labor and Industrial Relations, University of Illinois.

November 16: A Lawyer Views the Practical Problems of Workmen's Compensation--the injured worke and his case, attorney relations, case examples.
--Bernie Kleiman, Attorney specializing in workmen's compensation cases, Chicago, Illinois.

November 30: New Challenges to Our Oldest Social Insurance Program.
--David B. Johnson, Associate Professor of Economics, University of Wisconsin

Unsafe conditions in Plants

Kind of inspection (if any)

What safety equip required by law
Codes —

& Who determines & how that there is a safety violation — deputy makes opinion but does not bar a hearing —

* Repeating of Safety is shaky — Union could help, by informing member on Ind Com. —

Farmers — employ 5 or more — under W.C.?

But not under Safety

W.C. must be reported if goes into 4th day — or if Permanent partial even if no loss

Employer responsible for providing

Is employee covered by W.C. if he tampers with a Safety device —

* General Orders on Safety — 50¢ each for their files
Safety & Construction

If employer violates Safety Code — get 15% more on W.C. claims — reduce W.C. 15% where an accident if Intoxicated

But onus of Safety devices must be the reasonable effort of employer to enforce —

20% of Pughal's time to investigate accident to determine if employee was at ~~of~~ fault in violation —

Just as the amount to the employee direct

Paid by Co — except when Co. insolvent (e.g. bankruptcy) then paid by Ins. Co.

Every injured employee, covered by act, & paid gets a card of placing rights

? → Does it include Safety provisions

Advisory Com. on Safety — work on Code revision
Labor — Mang. — Engineers

? — Who selects members —

Public hearings

Selected by Chmn. — serve without pay — difficult to get

Ind. Com. as resource

These Codes are the Admin Rule —

~~Pedestrian~~ ~~State~~ Hygiene & Air Pollution Control of State Bd. of Health

Labor Law —

Bros. Lee & Otterson

School for Workers
University of Wisconsin

Points for a Local Union Workmen's Compensation Program

1. Every steward should investigate all injruies in his department. He should see that:
   a. Injury is reported to the company authorities, at once.
   b. Employee receives immediate medical attention.
   c. He (the Steward) makes a full record of the injury including name of the injured, address, date, time, description of the injury, and other details.

2. A committee of the local should be designated to carry the responsibility for workmen's compensation cases in the local -- either an existing committee or a new committee -- such as a Welfare Committee, Health & Safety Committee, Union Counseling Committee, Workmen's Compensation Committee, etc.

3. A copy of the Steward's Injury Report should go to the committee handling workmen's compensation cases.

4. The committee should investigate case at once to see that the injured member:
   a. Receives proper medical attention
   b. Receives all benefits immediately due him.
   c. Receives information about legal rights and instruction in procedure.

5. Member should be instructed to contact committee when company proposes a settlement or in six months.

6. Committee record of the case should be filed so that case will be checked again in six months and contact with member can again be made to see what progress is made on the case, so legal time limits do not expire.

7. At the time of final settlement member and the committee should get together so that offer can be reviewed in the light of legal rights of member and so that he has opportunity to obtain legal counsel, if necessary.

8. The Steward should also follow through on each case he has reported and see that either the committee is taking care of it or see that necessary assistance is available.

9. Committee should carry on an educational campaign in local as to member's rights and benefits under the Workmen's Compensation law using the membership meetings, publications, bulletins, and other means available. They should also thoroughly learn the law and its interpretation and follow proposed changes in the law and recommend improvements to their local and international unions (here specific example cases will be important).

SETTLED WORKMEN'S COMPENSATION CASES DURING YEAR 1962
Wisconsin Industrial Commission

Occupation: MACHINIST **Industry:** Fabricated metal products, Machinery (mfg.)

Nature of Injury, Part of Body	Compensated time loss Extent of Injury	Source of Injury, Type of Accident
Cut three fingers	Temporary - 2 days	Struck by moving part of grinder
Cut little finger	Temporary - 16 days	Caught in mechanical part of grinder
Sprained back	Temporary - 1 day	Overexertion holding or carying misc. object
Multiple injuries to body	Perm. partial - 495 days	Fell to walkway or surface of building
Bruised upper back	Temporary - 11 days	Fell against plate
Bursitis in knee	Temporary - 17 days	Stepped on bolt
Fractured third toe	Temporary - 18 days	Struck by tipping, sliding or rolling block
Fractured ribs	Temporary - 54 days	Fell to walkway or surface of building
Bruised ring finger at distal	Perm. partial - 1 day	Struck by moving part of vise
Imbedded splinter or chip in one eye	Temporary - 4 days	Struck by flying splinter or chip
Bruised shoulder	Temporary - 3 days	Fell from stationary equipment in building
Cut hand	Temporary - 2 days	Caught in mechanical part of equipment
Bruised multiple parts	Temporary - 5 days	Caught in mechanical part of equipment
Traumatic amputation of two fingers	Perm. partial - 49 days	Struck by electric drill handled by self
Cyst on wrist	Temporary - 1 day	Struck by wrench handled by self
Imbedded splinter or chip in eye	Temporary-2 days	Struck by flying dusts
Bruised middle finger	Temporary - 2 days	Struck by material from metal lathe

SETTLED WORKMEN'S COMPENSATION CASES DURING YEAR 1962
Wisconsin Industrial Commission

Occupation: MACHINIST **Industry:** Fabricated metal products, Machinery (mfg.)

Nature of Injury, Part of Body	Compensated time loss Extent of Injury	Source of Injury, Type of Accident
Burned arm	Temporary - 23 days	Contact with flame
Imbedded splinter or chip in abdomen	Temporary - 11 days	Bumped into chip or splinter
Dermatitis on both hands and arms	Temporary - 37 days	Absorbed chemicals
Puncture wound in upper arm	Temporary - 5 days	Struck by unspecified object on truck
Imbedded splinter or chip in ring finger	Temporary - 5 days	Struck against object handled by self
Fractured thumb	Temporary - 11 days	Struck by moving part of equipment
Traumatic amputation of middle finger	Perm. partial - 37 days	Caught in mechanical part of equipment
Sprained foot	Temporary - 2 days	Bodily reaction, involuntary movement as result of loss of equilibrium
Bruised lower back	Temporary - 40 days	Struck by tipping, sliding or rolling plank
Bruised more than on toe	Temporary - 22 days	Struck by tipping, sliding or rolling misc. item
Ache, pain in ankle	Temporary - 12 days	Struck by tipping, sliding or rolling pipes.
Bruised great toe	Temporary - 2 days	Struck by tipping, sliding or rolling metal item
Fractured ribs	Temporary - 35 days	Struck by tipping, sliding or rolling machine
Sprained lower back	Temporary - 2 days	Overexertion holding or carrying misc. item
Fractured index finger, 2nd joint	Perm. partial - 156 days	Struck by unspecified metal item
Traumatic amputation of ring finger	Perm. partial - 31 days	Caught in mechanical part of crane
Tore away part of little finger	Perm. partial - 9 days	Struck against moving part of grinder

SETTLED WORKMEN'S COMPENSATION CASES DURING YEAR 1962
Wisconsin Industrial Commission

Occupation: MACHINIST **Industry:** Fabricated metal products, Machinery (mfg.)

Nature of Injury, Part of Body	Compensated time loss Extent of Injury	Source of Injury, Type of Accident
Cut wrist	Temporary - 13 days	Caught in mechanical part of chain hoist
Cut thumb	Temporary - 5 days	Bumped into machine
Cut hand	Temporary - 11 days	Caught in object handled by self
Cut thumb at proximal	Perm. partial - 204 days	Caught in mechanical part of metal lathe
Sprained back	Temporary - 27 days	Overexertion lifting or lowering casting
Sprained back	Temporary - 11 days	Tripped over broom
Tore muscle in shoulder	Temporary - 5 days	Overexertion hodling or carrying plate
Imbedded splinter or chip in one eye	Temporary - 3 days	Struck by chip or splinter
Sprained back	Temporary - 64 days	Fell from stationary equipment onto ground
Imbedded splinter or chip in one eye	Temporary - 4 days	Struck by chip or splinter
Cut leg	Temporary - 9 days	Struck by tipping, sliding or rolling skid
Fractured thumb at distal	Perm. partial - 17 days	Struck by metal object handled by self
Dermatitis on elbow	Temporary - 91 days	Absorbed oils and lubricants
Fractured great toe	Temporary - 3 days	Struck by tipping, sliding or rolling tube
Burned nose	Temporary - 2 days	On hot chip or splinter
Fractured little finger	Temporary - 11 days	Bumped into misc. item
Puncture wound in hand	Temporary - 4 days	Struck by wire handled by self

SETTLED WORKMEN'S COMPENSATION CASES DURING YEAR 1962
Wisconsin Industrial Commission

Occupation: MACHINIST **Industry:** Fabricated metal products, Machinery (mfg.)

Nature of Injury, Part of Body	Compensated time loss Extent of Injury	Source of Injury, Type of Accident
Sprained lower back	Temporary - 4 days	Overexertion handling electric drill
Sprained knee	Temporary - 18 days	Bodily reaction, involuntary movement with loss of equilibrium
Fractured great toe	Temporary - 41 days	Struck by wrench handled by self
Torn tendons in three fingers	Perm. partial - 71 days	Caught in mechanical part of drilling machine
Sprained hip	Temporary - 12 days	Bodily reaction from voluntary motion of climbing
Bruises to leg	Temporary - 11 days	Caught in mechanical part of machine
Surgical amputation of middle finger at proximal, loss of use of other parts	Perm. partial - 234 days	Caught between object handled by self and misc. object
Fractured big toe	Temporary - 2 days	Struck by metal item handled by self
Several cuts to head	Temporary - 10 days	Struck by falling overhead trolley
Scratched back of hand	Temporary - 2 days	Bumped into metal item
Fractured large bone of lower arm	Temporary - 74 days	Not reported
Dermatitis of both hands and arms	Temporary - 4 days	Absorbed lubricating oils, cutting oils and grease
Traumatic amputation of index finger	Perm. partial - 126 days	Struck against moving part of milling machine
Chip fracture of elbow	Temporary - 38 days	Bumped into machine
Traumatic amputation of index finger at second joint	Perm. partial - 164 days	Caught in mechanical part of machine
Internal injuries to abdomen	Killed - 5,100 days	Struck by material from lathe

SETTLED WORKMEN'S COMPENSATION CASES DURING YEAR 1962
Wisconsin Industrial Commission

Occupation: MACHINIST **Industry:** Fabricated metal products, Machinery (mfg.)

Nature of Injury, Part of Body	Compensated time loss Extent of Injury	Source of Injury, Type of Accident
Sprained back	Temporary - 21 days	Not reported
Cut knee	Temporary - 1 day	Struck by moving part of abrasive grinder
Fractured middle finger	Temporary - 17 days	Struck by casting or forging held by self
Fractured knee	Temporary - 22 days	Struck by moving part of metal lathe
Imbedded splinter or chip in thumb	Temporary - 16 days	Struck against chip or splinter handled by self
Fractured hand	Temporary - 21 days	Caught in polisher and buffer
Cut ring finger at distal	Perm. partial - 3 days	Caught in metal lathe
Traumatic amputation of middle finger at distal	Perm. partial - 21 days	Struck against moving part of grinder
Bruised two toes	Temporary - 31 days	Struck by casting or forging held by self
Sprained lower back	Permanent partial - 653 days	Overexertion handling wrench
Sprained lower leg	Temporary - 25 days	Overexertion lifting or lowering gears
External ulcer, lower leg	Temporary - 11 days	Fell to walkway or surface of building
Surgical amputation of ring finger at distal	Perm. partial - 14 days	Caught in part of equipment
Sprained back	Temporary-2 days	Overexertion lifting or lowering casting
Torn muscle in back	Temporary - 9 days	Overexertion lifting or lowering plank
Hernia, unspecified part of body	Temporary - 42 days	Overexertion handling or using wrench
Cut middle finger	Temporary - 19 days	Struck by moving part of grinder

SETTLED WORKMEN'S COMPENSATION CASES DURING YEAR 1962
Wisconsin Industrial Commission

Occupation: MAINTENANCE MECHANIC **Industry:** Fabricated metal products, Machinery (mfg.)

Nature of Injury, Part of Body	Compensated time loss Extent of Injury	Source of Injury, Type of Accident
Bruised chest, thorax	Temporary - 1 day	Fell against truck
Fractured thumb at distal	Perm. partial - 36 days	Caught in part of lathe
Bruised head	Temporary - 20 days	Struck by misc. object
Sprained lower back	Temporary - 2 days	Fell to icy walkway
Scratched middle finger at proximal	Temporary - 2 days	Struck against metal item handled by self
Fractured foot, several parts	Temporary - 37 days	Struck by material from wheelabrator
Tore ligament in knee	Perm. partial - 204 days	Caught in mechanical part of equipment
Sprained little finger at distal	Perm. partial - 4 days	Struck by electric tool handled by self
Major crushing of trunk, multiple	Temporary - 25 days	Caught between moving and stationary parts of crane
Sprained abdomen	Temporary - 18 days	Overexertion holding or carrying grinder
Ache, pain in head	Temporary - 1 day	Caught between hand truck and stationary object
Cut index finger	Temporary - 4 days	Stuck against moving part of table saw
Sprained back	Temporary - 25 days	Bodily reaction from voluntary motion of stepping down
Sprained lower back	Temporary - 1 day	Overexertion from handling rope
Imbedded splinter or chip, back of hand	Temporary - 3 days	Struck against chip or splinter handled by self

SETTLED WORKMEN'S COMPENSATION CASES DURING YEAR 1962
Wisconsin Industrial Commission

Occupation: MAINTENANCE MAN **Industry:** Fabricated metal products, Machinery (mfg.)

Nature of Injury, Part of Body	Compensated time loss Extent of Injury	Source of Injury, Type of Accident
Bruised elbow	Temporary - 66 days	Struck by wrench handled by self
Bruised middle finger at distal	Temporary - 11 days	Caught in part of brake press
Cut three fingers	Temporary - 22 days	Caught in part of jointer
Cut lower leg	Temporary - 11 days	Ran off roadway while driving motor scooter
Bruised elbow	Temporary - 10 days	Struck by wrench handled by injured
Fractured toe	Temporary - 14 days	Struck by tipping, sliding or rolling misc. item
Cut 2nd toe	Temporary - 4 days	Struck by tipping, sliding or rolling racks
Hernia at umbilical	Temporary - 36 days	Bodily reaction from voluntary motion of stretching
Burned arm and leg	Temporary - 17 days	Contact with hot substance
Bruised knee	Temporary - 16 days	Fell to sidewalk
Sprained back	Perm. partial - 300 days	Overexertion lifting or lowering misc. item
Bronchitis of bronchi	Temporary - 36 days	Inhaled fumes
Brain concussion	Temporary - 1 day	Struck by misc. item handled by self
Unclassified injury to back	Temporary - 1 day	Fell into opening or shaft in building
Injuries to several parts of body	Temporary - 16 days	Fell to walkway or surface of building
Fractured knee	Perm. partial - 355 days	Struck by tipping, sliding or rolling misc. object
Sprained back	Temporary - 11 days	Overexertion lifting or lowering casting

SETTLED WORKMEN'S COMPENSATION CASES DURING YEAR 1962
Wisconsin Industrial Commission

Occupation: DRILL PRESS OPERATOR **Industry:** Fabricated metal products, Machinery, Transportation equipment, Professional, scientific & controlling instruments (mfg.)

Nature of Injury, Part of Body	Compensated time loss Extent of Injury	Source of Injury, Type of Accident
Inflammation of wrist	Temporary - 2 days	Rubbed by repeated body motion
Fractured two fingers	Perm. Partial - 26 days	Caught in mechanical part of drill press
Sprained ankles	Temporary-20 days	Struck by jeep
Sprained upper leg	Perm. Partial - 552 days	Overexertion holding or carrying misc. object
Fractured ring finger, 2nd joint	Perm. Partial - 9 days	Struck by material from drill press
Traumatic amputation of ring finger	Perm. Partial - 16 days	Caught in mechanical part of drill press
Major crushing of thumb, proximal	Perm. Partial - 119 days	Caught in misc. object handled by self
Fractured big toe	Perm. Partial - 38 days	Struck by case handled by self
Injuries to several parts of body	Temporary - 69 days	Fell on stairs
Sprained side	Temporary - 5 days	Overexertion lifting or lowering rods
Inguinal hernia	Temporary - 25 days	Overexertion lifting or lowering casting
Fractured second toe	Temporary - 23 days	Struck by tipping, sliding or rolling metal item
Sprained lower back	Temporary - 107 days	Bodily reaction from motion of stepping down
Sprained lower back	Temporary - 1 day	Bodily reaction resulting from loss of equilibrium
Bursitis in elbow	Temporary - 1 day	Bumped into container
Major crushing of index finger, 2nd	Perm. partial - 54 days	Struck by casting held by self
Fractured little finger, distal	Temporary - 1 day	Caught in mechanical part of drill press

SETTLED WORKMEN'S COMPENSATION CASES DURING YEAR 1962

Wisconsin Industrial Commission

Occupation: DRILL PRESS OPERATOR

Industry: Fabricated metal products, Machinery, Transportation equipment, Professional, scientific & controlling instruments (mfg.)

Nature of Injury, Part of Body	Compensated time loss Extent of Injury	Source of Injury, Type of Accident
Cut thumb	Temporary - 25 days	Struck by broken glass held by self
Surgical amputation, related loss of use of second toe at proximal	Perm. partial - 88 days	Struck by falling shaft
Puncture wound in palm of hand	Temporary - 12 days	Struck by wrench held by self
Sprained hip	Temporary - 15 days	Overexertion lifting or lowering container
Dermatitis on both hands & arms	Temporary - 3 days	Absorption of materials from container
Traumatic amputation, index finger @2nd	Temporary - 32 days	Caught in mechanical part of drill press
Cut ring finger	Temporary - 35 days	Caught in mechanical part of drill press
Inguinal hernia	Temporary - 38 days	Overexertion pulling or pushing pallet
Cut two fingers	Temporary - 14 days	Caught in mechanical part of drill press
Cut little finger at distal	Perm. partial - 5 days	Caught between object held by self and metal item
Scratched knee	Temporary - 54 days	Fell to ground
Cut index finger at distal	Perm. partial - 5 days	Struck by moving part of drill press

SETTLED WORKMEN'S COMPENSATION CASES DURING YEAR 1962
Wisconsin Industrial Commission

Occupation: SWEEPER **Industry:** Mfg. - Primary metals, Fabricated metals, Machinery Transportation equipment,

Nature of Injury, Part of Body	Compensated time loss Extent of Injury	Source of Injury, Type of Accident
Strained muscle in back	Temporary - 4 days	Overexertion lifting or lowering box
Bruised knee	Temporary - 2 days	Fell to walkway or surface in building
Sprained back	Temporary - 1 day	Fell to walkway or surface on ground outdoors
Bruised body, several parts	Temporary - 13 days	Struck by automobile
Fractured pelvis	Permanent partial - 510 days	Fell into shaft or floor opening in building
Scratched heel	Temporary - 2 days	Stepped on scrap metal
Fractured index finger, 2nd joint	Permanent partial - 23 days	Struck by hammer held by self
Inflammation of one ear, internal	Temporary - 27 days	Bumped into metal beam
Bruised foot	Temporary - 4 days	Struck by tipping jack
Cut index finger, 2nd joint	Perm. Partial - 26 days	Struck against moving part of saw
Infected wound in instep	Temporary - 9 days	Struck by casting or forging
Cut toe	Temporary - 6 days	Struck by material from press
Bruised back	Temporary - 20 days	Bumped into conveyor
Sprained truck, multiple	Temporary - 20 days	Overexertion handling wheelbarrow
Bruised side	Temporary - 12 days	Struck by crowbar handled by self

SETTLED WORKMEN'S COMPENSATION CASES DURING YEAR 1962
Wisconsin Industrial Commission

Occupation: JANITOR **Industry:** Primary metal and Machinery, except electrical (Mfg.)

Nature of Injury, Part of Body	Compensated time loss Extent of Injury	Source of Injury, Type of Accident
Bruised foot	Temporary - 45 days	Pedestrian stuck by fork lift truck
Bruised knee	Temporary - 1 day	Caught in conveyor
Imbedded splinter in index finger	Temporary - 9 days	Caught in machine
Fractured foot	Temporary - 27 days	Caught under plant vehicle
Bruised foot	Temporary - 3 days	Caught under part of crane
Sprained knee	Permanent partial - 77days	Overexertion lifting or lowering misc. object
Anesthesia in both legs	Temporary - 52 days	Overexertion pulling or pushing hand truck
Burned face	Temporary - 34 days	Struck by exploding gases or vapors
Dermatitis on wrists	Temporary - 4 days	Absorption of caustic oils & lubricants
Sprained lower back	Temporary - 11 days	Overexertion lifting or lowering weights
Bruised back	Temporary - 8 days	Fell in building
Bruised foot	Temporary - 1 day	Struck by tipping or rolling barrel

SETTLED WORKMEN'S COMPENSATION CASES DURING YEAR 1962
Wisconsin Industrial Commission

Occupation: SHIPPING CLERK **Industry:** Primary metals, Fabricated metals, Machinery (mfg.)

Nature of Injury, Part of Body	Compensated time loss Extent of Injury	Source of Injury, Type of Accident
Hernia to unspecified part of body	Temporary - 40 days	Not reported
Blood clot in leg	Temporary - 2 days	Fell to walkway or surface of building
Sprained lower back	Temporary - 3 days	Overexertion - lifting or lowering metal sheets
Loss of one eye	Perm. Partial - 1650 days	Struck by unidentified flying particles
Bruised one knee	Temporary - 1 day	Bumped into chain hoist
Hernia to unspecified part of body	Temporary - 26 days	Struck by load carrier handled by self
Sprained back	Temporary - 29 days	Overexertion lifting or lowering box
Fractured thumb	Temporary - 18 days	Struck by tipping, sliding or rolling door
Bursitis in elbow	Temporary - 110 days	Struck by hook
Dermatitis on both arms and hands	Temporary - 10 days	Contact and absorption of oils and lubricants
Fractured middle finger	Temporary - 15 days	Caught in crate handled by self
Bruised head	Temporary - 16 days	Not reported
Bruised foot	Temporary - 4 days	Struck by carton handled by self
Injuries to several parts of body	Temporary - 3 days	Struck by crowbar handled by self
Fractured skull	Temporary - 43 days	Fell against plate
Bruised elbow	Perm. Partial - 594 days	Fell from stationary equipment onto ground
Fractured ribs	Temporary - 67 days	Fell off barrel

SETTLED WORKMEN'S COMPENSATION CASES DURING YEAR 1962
Wisconsin Industrial Commission

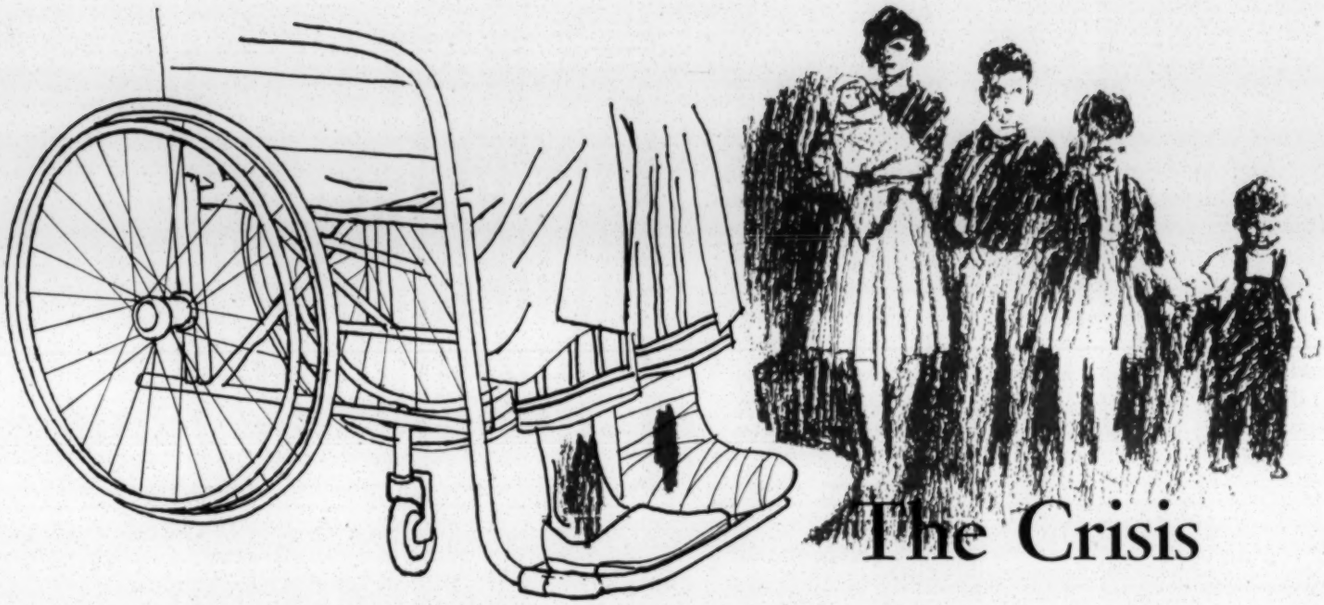
Occupation: SHIPPING CLERK **Industry:** Primary metals, Fabricated metals, Machinery (mfg.)

Nature of Injury, Part of Body	Compensated time loss Extent of Injury	Source of Injury, Type of Accident
Sprained back	Temporary - 9 days	Overexertion lifting or lowering tray
Bruised leg, several parts	Temporary - 51 days	Fell from scaffold or platform onto ground
Sprained back	Temporary - 1 day	Overexertion lifting or lowering barrel
Bruised thumb	Temporary - 14 days	Pushed against truck

SETTLED WORKMEN'S COMPENSATION CASES DURING YEAR 1962
Wisconsin Industrial Commission

Occupation: FORK LIFT OPERATOR **Industry:** Fabricated metals, Machinery (mfg.)

Nature of Injury, Part of Body	Compensated time loss Extent of Injury	Source of Injury, Type of Accident
Badly crushed thumb	Temporary - 23 days	Caught in or under fork lift truck
Traumatic amputation of middle finger	Perm. Partial - 57 days	Caught in rack



The Crisis In Workmen's Compensation

Social insurance in America was pioneered by a workmen's compensation law enacted over 50 years ago. That first law back in 1908 protected a small number of federal workers from the effects of on-the-job injuries. This breakthrough inspired most states to enact similar laws within several years. But the law which held out so much hope for meeting human problems in an industrial age has been left obsolete by rapidly changing conditions.

Prior to the passage of workmen's compensation laws, the injured worker had the common law right to sue his employer for damages. The employer, however, could plead three defenses: assumption of risk; fellow-servant rule and contributory negligence.

As a result of growing dissatisfaction with the common law procedures, workmen's compensation was devised to assure that benefits would be paid to injured workers promptly, regardless of fault and with a minimum of litigation. In return for these gains, injured workers relinquished their right to sue.

Coverage

The U.S. Department of Health, Education, and Welfare estimates that about 20 percent of the civilian wage and salary workers in the United States are not covered by workmen's compensation. This proportion has changed slightly since 1953. It is probable the number of workers covered will actually decrease since those segments of the labor force least likely to be covered by statutory workmen's compensation programs—state and local government employes and domestic workers—have been increasing at a faster pace than the labor force in general.

Though all states have passed workmen's compensation laws, numerous devices are available to permit many employers to escape coverage. One of the most common is an elective act which permits an employer to accept or reject its provisions. Twenty-four states have elective laws. In many laws, employers with less than a certain number of employes are exempt from coverage. Only 21 states, the District of Columbia and Puerto Rico have no such exemption. Only nine states and Puerto Rico cover farmworkers in the same manner as other workers. Two states, Mississippi and Wyoming, make no statutory provision for the coverage of occupational diseases and an additional 19 states cover only those occupational diseases specifically enumerated in the law.

Adequacy of Benefits

When workmen's compensation laws were first passed the intent of most laws was to provide the average injured worker with periodic benefits equal to two-thirds of his pay. At the time most of these laws were passed, between 1910 and 1916, the average wage was about $13 and the average benefit about $10. Today the average state benefit is between $35 to $45 per week and the national average wage of a factory worker is about $97 per week.

The failure of state legislatures to raise the maximum benefit in their laws in conformity with rising wage levels has undermined the intent of workmen's compensation laws to provide weekly benefit amounts equal to two-thirds of the injured worker's wage. Most workmen's compensation laws will state the injured worker is entitled to a specified percentage of his weekly wage during disability, generally as high as 66⅔ percent. However, another section of the law

Labor's **ECONOMIC REVIEW**

Prepared by Lawrence Smedley,
Department of Social Security
Reprinted from June 1963
AFL-CIO AMERICAN FEDERATIONIST

will specify a maximum amount a worker can receive which is so low that it prevents a large majority of workers from receiving the specified percentage of the weekly wage.

Only three states, the District of Columbia and Puerto Rico have maximum benefit amounts for an injured worker, a wife and two dependent children equal to or greater than two-thirds of the state's average weekly wage.

More than half the states have maximum benefit levels less than 50 percent of the state's average weekly wage. By contrast, in 1940 only ten states had maximum benefit levels for temporary total disability less than two-thirds of the state's average weekly wage and only four of these less than 60 percent and none less than 50 percent.[1]

Temporary Total Disability

The largest portion of workmen's compensation claims involves temporary total disability which leaves no permanent physical impairment. Approximately nine out of every ten on-the-job injuries involve this kind of injury and roughly 75 percent of these cases recover within three weeks. In most states income benefits will not be paid during the first seven days of disability unless the disability lasts more than 28 days.

A typical case is a steelworker in Birmingham, Alabama, earning $128 per week, the average wage in the basic steel industry. He is injured and unable to work for three weeks. Under the Alabama law he is entitled to 55 percent of his weekly wage but only up to a maximum of $33 per week. There is no benefit for the first week. So he receives $66 in benefits but loses $384. He has been compensated for 17 percent of his wage loss.

Permanent Total Disability

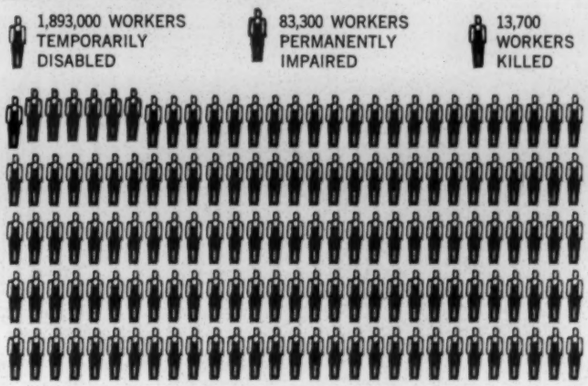
Even though a worker may suffer a large wage loss as a result of temporary total disability, he does have the consolation that, in time, his full health will be restored. The worker who suffers a permanent total disability is disabled for life and the need for benefits is much greater.

Where the injury is permanent, there is no reason for payment to be temporary. Unfortunately, in many instances the record of benefit protection is less than that for temporary disability.

Half the states limit payments by specifying either the period of time for which benefits shall be paid or the monetary amount that shall be paid or both. The time limitation ranges from 341 weeks to 550 weeks and the monetary limits from $7,500 to $30,000. A worker earning $100 per week who is permanently and totally disabled in the state of Georgia is limited to a total of $12,500 in benefits. If the worker were in his twenties or early thirties, he could be expected to earn several hundred thousand dollars during the remainder of his working years. A law is of little value when it ensures that permanently and totally injured workers and their families will spend most of their lives without any workmen's compensation benefits.

[1] "State Workmen's Compensation Laws, A Comparison of Major Provisions with Recommended Standards," U.S. Department of Labor, December 1961.

ON-THE-JOB INJURIES—1962



Permanent Partial Disability

Permanent partial disabilities are permanent injuries which may restrict the earning power of a worker. Workmen's compensation laws compensate injured workers for most permanent partial awards in accordance with a schedule of benefit amounts. In other words, the state law places a value on the various parts of the human body.

States have shown great variation in the value they place on the various parts of a human being. The maximum compensation for a thumb lost by a federal employe is more than for an arm at the shoulder in 31 states and the loss of an entire hand in 39 states. The possible compensation for a foot ranges from $3,850 in Wyoming to $23,000 in Hawaii.[2] The proponents of state rights maintain these variations are necessary in order to adjust to the local conditions in each state. However, the facts show there is little correlation between state wage levels and benefit amounts. It is the injured workers and their families who make the adjustments.

Death Benefits

The value of a human life is cheap in the typical workmen's compensation law. The general practice in state laws is to severely restrict death benefit amounts either by time limits or by maximum monetary amounts. Only nine states and the District of Columbia have a provision that widows receive benefits for life or until remarriage.

For the tragic loss of a father and breadwinner, the state of Virginia will permit compensation for 350 weeks to a maximum of $11,100; Georgia, 400 weeks to a maximum of $10,200; North Carolina, 350 weeks and a maximum of $10,000; South Carolina, 350 weeks, maximum $10,000.

[2] "Analysis of Workmen's Compensation Laws," U.S. Chamber of Commerce, January 1962, p. 18.

Professor Earl Cheit of the University of California has attempted to estimate to what extent workmen's compensation benefits replaced economic loss in death cases in California. Professor Cheit has developed new and extensive formulae for measuring economic losses due to occupational death, taking into consideration such factors as working-life expectancy, future earnings and their present net values, taxes, loss of fringe benefits and changes in the pattern of family consumption expenditures.

Cash benefits payable under workmen's compensation were related to these economic losses to measure benefit adequacy. Cheit found that, for the median case, death benefits for widows replaced only 10.1 percent of the net economic loss for workers killed in 1952 and 12.2 percent for workers killed in 1956. If the widow had dependent children under 18, she also was eligible for Old Age and Survivors' Insurance benefits. The Cheit study showed that only 47 percent of the widows were entitled to OASDI benefits and that these benefits replaced twice as much wage loss as workmen's compensation benefits. Combined benefits, however, replaced only a third of the total wage loss.

The dire implications of the Cheit study are clear when one considers that the death benefit provisions of the California law are superior to those of many states.

Medical Care

Though the quality of medical care in workmen's compensation has improved over the years, many workers still have to bear part of the medical cost of their injury. About half the states restrict full medical care for injuries by setting limits on the monetary amounts or by time limitations on the number of weeks a worker can receive medical care.

Medical and hospitalization insurance generally excludes workmen's compensation cases from coverage and the worker cannot rely on this kind of supplementary insurance to help meet the medical costs of his injury.

Even when adequate medical care is available, litigation, apathy on part of the medical profession and the tendency of workmen's compensation commissions to emphasize their judicial rather than their administrative functions also has contributed to the denial of proper medical care.

Essential to satisfactory medical care is supervision and control of this care by the workmen's compensation agency and free choice of a qualified physician by the injured worker.

The agency must protect the injured worker by ensuring accuracy of diagnosis at the outset and continuing supervision of the medical care received until healing and recovery are as complete as possible. Yet in more than half the states, the workmen's compensation agency does not have the authority to supervise medical care and roughly 75 percent of all workers covered under workmen's compensation have their doctor chosen for them by their employer or by the insurance company in behalf of the employer.

Rehabilitation

Some of the greatest developments in medicine have taken place in the field of rehabilitation. It is in the area of workmen's compensation where the prospects for significant progress are the brightest.

Rehabilitation is of maximum benefit to the worker, employer and society. The successful rehabilitation of an injured worker means the worker is restored to maximum physical effectiveness and regains his self-respect as a wage earner and family breadwinner, the employer will save money on benefit payments and society will gain by the retention of a self-reliant and productive worker.

A description of a successful rehabilitation case by Dr. Howard Kessler, Director of the Kessler Institute for Rehabilitation, is an excellent example of what can be done for what seem to be hopeless cases:

"A young miner with a broken back and a spinal cord injury, causing a paraplegia, was referred to us for rehabilitation. He also had such extensive bed sores that the treating doctors thought it would be desirable and wise to amputate both legs. So both legs were amputated but he still had bed sores over the sacrum, the lower parts of the back and hips and stones in both ureters. Two unsuccessful attempts were made to drain the stones and he was left with a draining fistula from the abdomen through the bladder to the outside. In that condition, he was referred to us for rehabilitation. A hopeless case? So it would seem.

"Yet today that man has had the stones removed and the fistula has healed. The ulcers have healed. He walks with artificial limbs and crutches; and he is operating his own restaurant in Virginia." [3]

The case described by Dr. Kessler is not a recent one. Miraculous rehabilitation techniques have been available for many years, but the progress in rehabilitating injured workers has been slow. Most states still do not make rehabilitation an integral part of workmen's compensation.

Rehabilitation to achieve maximum results must begin as soon as possible after the injury. Delayed treatment can mean the difference between full restoration to health or remaining a cripple for life. One can imagine the plight of the young miner described above if he had been so unfortunate as to never have received adequate rehabilitation treatment. Yet thousands of injured workers are victims of similar neglect every year.

Even when a rehabilitation program for injured workers exists, the state law will severely limit the effectiveness of the program by failure to provide maintenance benefits during rehabilitation. The injured worker who has suffered a severe wage loss frequently finds it financially impossible to undergo vocational and physical rehabilitation when it requires an additional outlay of funds. Rehabilitation gener-

[3] International Association of Industrial Accident Boards and Commissions (IAIABC), Proceedings 1950, U.S. Bureau of Labor Standards, Bulletin 142, p. 157.

Workmen's Compensation Under State Laws, June 1, 1963

Jurisdiction	Temporary Total Disability [1]		Death Benefits		Maximum [2] Medical Care	Benefits for Vocational Rehabilitation	Coverage of Occupational Disease
	Intended Benefit as % of Weekly Wage	Actual Maximum Weekly Benefit Allowed	Maximum Duration in Weeks	Maximum Total Payments			
Alabama	55-65%	$33	300	$9,900 [12]	1 yr.—$1,800	No	([3])
Alaska	65	100	W,C-18 [4]	.....	.....	Yes	Full
Arizona	65 [5]	150 [5]	W,C-18 [4]	.....	([6])	Yes	Limited
Arkansas	65	35	450	12,500	([7])	Yes	Full
California	61 3/4	70	269-315	17,500-20,500	.....	No	Full
Colorado	66 2/3	40.25	312	12,598-15,884	6 mos.—$1,500 [30]	No	Limited
Connecticut	60	55 [8]	W,C-18 [4]	.....	.....	Yes	Full
Delaware	66 2/3	50	400 [9]	.....	.....	No	Full
District of Columbia	66 2/3	70	W,C-18 [4]	.....	.....	Yes	Full
Florida	60	42	350	.....	.....	Yes	Full
Georgia	60	37	400	.....	$2,000 [10]	No	Limited
Hawaii	66 2/3	75	W,C-18 [4]	25,000 [11]	.....	Yes	Full
Idaho	55-60	32-52	400, C-18 [4]	12,000	.....	No	Limited
Illinois	65-80	51-61	W,C-18 [4]	13,500-17,500	([7])	No	Full
Indiana	60	42	400	16,500 [12]	.....	No	Full
Iowa	66 2/3	34-50	300	12,000	.....	No	Limited
Kansas	60	38	W,C-18 [4]	13,500	120 days [13]—$4,000	No	Limited
Kentucky	65	38	400	13,600	$2,500 [26]	No	Full
Louisiana	65	35	400	.....	$2,500	No	Limited
Maine	66 2/3	39	300	11,700	30 days—$100 [7] ([27])	Yes	Limited
Maryland	66 2/3	48	500	15,000	.....	Yes	Full
Massachusetts	66 2/3	50 [14]	400, C-18 [4]	16,000	.....	Yes	Full
Michigan	66 2/3	33-57	450	.....	.....	No	Full
Minnesota	66 2/3	45	W,C-18 [4]	17,500	.....	Yes	Full
Mississippi	66 2/3	35	450	14,500	.....	Yes	Not by Statute [31]
Missouri	66 2/3	47.50	W,C-18 [4]	16,500	.....	Yes	Full
Montana	50-66 2/3	29-50	500	.....	36 mos.—$2,500 [15]	Yes	([3])
Nebraska	66 2/3	37	325	.....	.....	No	Full
Nevada	65-90	41.25-57.12	W,C-18 [4]	.....	([7]) ([28])	No	Full
New Hampshire	66 2/3	42	341	14,322	.....([29])	No	Limited
New Jersey	[16]	45	350, C-18 [4]	.....	.....	Yes	Full
New Mexico	60	38	500	20,000	5 yrs.—$3,000 [17]	No	Limited
New York	66 2/3	55	W,C-18 [4]	.....	.....	Yes	Full
North Carolina	60	35	350	10,000	.....([7])	No	Limited
North Dakota	80	45-60	W,C-18 [4]	.....	.....	Yes	Full
Ohio	66 2/3	49	.....	15,000-18,000	.....	Yes	Full
Oklahoma	66 2/3	35	.....	13,500	.....	No	Limited
Oregon	50-75	32.31-66.92	W,C-18 [4]	.....	.....	Yes	Full
Pennsylvania	66 2/3	47.50	350 [9]	.....	6 mos.—$450 [18]	Yes	Full
Puerto Rico	66 2/3	35	W,C-18 [19]	9,000	.....	Yes	Full
Rhode Island	60	40	600	.....	.....	Yes	Full
South Carolina	60	35	350	10,000	.....	No	Full
South Dakota	55	38	.....	10,000-13,000 [20]	20 wks.—$1,700 [21]	No	Limited
Tennessee	65	36	W,C-18 [4]	14,000	1 yr.—$2,500	No	Limited
Texas	60	35	360	.....	.....([7])	No	Limited
Utah	60	40-54.25	312	11,491-14,046	.....([6])	Yes	Full
Vermont	66 2/3	36 [22]	330	11,880	$5,000 [7]	No	Limited
Virginia	60	37	300	11,100	60 days [23]	No	Full
Washington	.....	38.11-71.59	W,C-18 [4]	.....	.....	Yes	Full
West Virginia	66 2/3	38	W,C-18 [4]	.....	$2,400 [24] [7]	Yes	Full
Wisconsin	70	60	400 [25]	17,144 [25]	.....	Yes	Full
Wyoming	66 2/3	40.39-60	W,C-18 [4]	10,000-17,000	.....	No	Not by Statute
U. S. Civil Employes	66 2/3-75	121.15	W,C-18	.....	.....	Yes	Full

[1] The lower figure represents the benefit for a single worker; the higher the maximum for workers with dependents.

[2] Benefits may not exceed period of time or amounts indicated.

[3] Covers only specified dust or pulmonary diseases and/or diseases caused by the inhalation of poisonous gases or fumes.

[4] "W" means payment to widow until death or remarriage; "C" means payment to children until age specified.

[5] Plus $10 per dependent per month.

[6] Limited benefits for occupational disease in Arizona and Utah.

[7] Limited benefits for silicosis and asbestosis in Arkansas, Illinois, Maine, Nevada, Vermont, West Virginia, North Carolina, Texas and New Mexico.

[8] 55 per cent of state's average production wage.

[9] After maximum weeks of payment, reduced benefits may be paid until children reach the age of 18.

[10] An additional $500 may be allowed. In death cases all medical expenses without limitation.

[11] Dollar maximum does not apply to children under 18 nor to unmarried children over 18 for 104 weeks beyond their 18th birthday, if incapable of self-support, nor to unremarried widow physically or mentally incapable of self-support.

[12] Disability benefits already made are deducted from death benefits payable.

[13] In extreme cases the commissioner may require the employer to furnish care for a longer period. In silicosis cases, additional period is limited to 90 days.

[14] Provides $6 additional for each total dependent not to exceed the average weekly wage of the employe.

[15] In cases of occupational disease, no time limit is imposed. If employe with occupational disease is able to continue work while undergoing medical treatment, medical benefit is limited to $1,000. In cases of total disability where the $2,500 is insufficient to meet all hospitalization expenses, additional benefits may be allowed.

[16] Benefits set in accordance with a "wage and compensation schedule period." Under this schedule, the 66⅔ per cent level is substantially adhered to for workers earning wages of $45 a week or less. For workers who earn more, the schedule fixes benefits which are less than 66⅔ per cent.

[17] In accidental injuries up to $15,000 may be authorized. In occupational diseases unlimited amounts may be authorized.

[18] Hospitalization for six months in addition to the $450 total medical and surgical allowance. Replacements for artificial limbs or eye together with continued medical care prescribed by attending doctor are without regard to the limitation in the law.

[19] Children studying until 25.

[20] Or 5 times annual earnings.

[21] An additional $1,200 may be ordered.

[22] Plus $2 for each dependent child under 21.

[23] Commission may extend for an additional period of 2 years.

[24] May be increased by $800.

[25] Additional death benefits payable from state fund for children.

[26] An additional $1,000 on application and showing of need.

[27] Longer period or greater sum may be allowed at the discretion of the commission.

[28] Reasonable medical, surgical, and hospital treatment and supplies, apparatus, artificial members for six months, which may be extended.

[29] Reasonable medical and hospital services or other remedial care for 90 days and additional 90 day periods upon written request to the commissioner. Commissioner may grant extension for aid not to exceed one year.

[30] Commission has discretion to add $1,000 if additional treatment will alleviate or cure.

[31] The one exception is radiation disease.

Source: For a more complete comparison of the laws, write to the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C., for STATE WORKMEN'S COMPENSATION LAWS, Bulletin 161 with supplement. Price 30 cents.

ally requires expenses for travel, maintenance away from home, tuition and equipment. Thus it may be impossible for him to undergo rehabilitation when incurring these expenses at the same time he is supporting himself and his family on an inadequate workmen's compensation benefit.

Litigation

The dockets of both courts and workmen's compensation commissions are so loaded with contested cases that delays of a year or more are common. Prolific litigation may on occasion result in individual gain and advantage, but the total result makes effective operation of social insurance impossible. The vital clause underlying compensation laws—arising out of and in the course of employment—has resulted in much litigation since the inception of workmen's compensation laws. The rapidly changing character of American industrial techniques make it increasingly difficult to separate non-occupational and occupational causes of disease.

The increasing importance of the radiation problem illustrates this point. Every state now has industrial plants operating under licenses with the Atomic Energy Commission. There are hundreds of thousands of workers in such plants in private industry and the number is increasing rapidly. The means by which radiation induces injury are not clearly known.

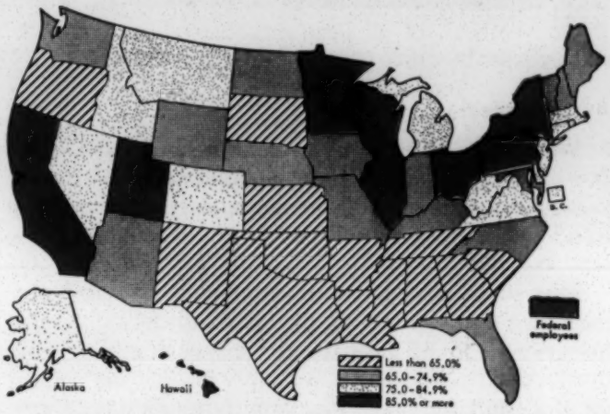
Many diseases such as leukemia and various forms of cancer can be the result of radiation exposure or of natural incidence; also, the effects of exposure from all sources appear to be cumulative throughout life. It is impossible to draw with certainty the line between occupational exposure from medical X-rays, cosmic rays and contaminated agricultural products. Since medical science does not yet have the capability of allocating cause in radiation cases, how does one fit radiation injury in the workmen's compensation system whose foundation is based on the presumption that "cause" can be ascertained?

The more that is discovered about the complex origin of disease, the more difficult it becomes to determine causality and the more the workmen's compensation system must rely on arbitrary guesswork. Guesswork can only increase inequities and litigation. The problem would be relatively simple were there a comprehensive social insurance program covering all disability. With the exception of a few permanent totally disabled cases that can qualify for OASDI benefits, the worker is faced with all or nothing. If he loses, he receives nothing and frequently his only alternative is charity.

Financing Workmen's Compensation

In 1960, total benefit payments, including both medical and compensation, amounted to $1.3 billion. Though this aggregate amount is large, it should not mislead one into thinking that workmen's compensation is expensive. The cost of workmen's compensation is less than one cent on the payroll dollar in all but eight states.[4] One insurance journal recently made

WORKMEN'S COMPENSATION COVERAGE, BY STATES
(As Percent of Potential Coverage)



Source: Social Security Bulletin, U.S. Dept. of Health, Education and Welfare, June 1962.

the claim that workmen's compensation costs employers less than coffee breaks.

Employers insure their risk through private insurance (mutual or stock), with a state fund or self-insurance. Workmen's compensation is the only social insurance primarily financed through private insurance.

Workmen's compensation is a public law which requires what is basically a tax on the employer and the collection and disbursement of this tax should not be delegated to private groups. Labor is increasingly critical of the fact that benefit payments by insurance companies over the past ten years have averaged a little better than 60 percent of the amount which employers paid in premiums.

An important factor severely reducing the amount of the premium dollar reaching the injured worker is excessive expense loading by insurance companies. Expense loading is the portion of the rate set aside to meet anticipated underwriting expenses or overhead. State-approved expense loadings are established uniformly for all companies and usually reflect the expenses of the insurance carriers with the highest expenses. This reduces competition between insurance companies and raises costs unnecessarily.

The expense record of private insurance stands in stark contrast to the record of exclusive state funds. Exclusive state funds are public funds established by law from which all workmen's compensation insurance must be purchased by employers in the state. However, only six states, Puerto Rico and the federal government have established such funds so far.

For the years 1950-60, exclusive funds devoted an average of 6.5 percent of premiums to expenses. During this same period, this average for non-participating stock companies, participating stock companies and mutual companies was approximately 37 percent, 28 percent and 25 percent, respectively.

This difference in expense is vital. Higher expenses

[4] "Workmen's Compensation Payments and Costs," by Alfred M. Skolnik, 1960, U.S. Social Security Bulletin, June 1962, p. 13.

mean lower benefits for workers. In those states financing workmen's compensation by private insurance, benefits could be increased by about one-fourth if the overhead of all insurance companies could be reduced to 25 cents of every premium dollar.

Administration

Workmen's compensation commissions have, with few exceptions, short tenure, appointments subject to the spoils system, inadequate and underpaid personnel, insufficient appropriations and a lack of reliable statistics and records.

Five states have not even attempted to administer their laws and still rely on the courts to do so. Courts have not yet found a satisfactory means of coping with overloaded dockets and it is simply beyond the capacity of a court to handle the alien duties of supervising medical care, physical rehabilitation, vocational rehabilitation, the assurance of prompt benefits and the responsibility for safety and health activities. A court is apt to feel its sole responsibility is to process workmen's compensation claims with reasonable dispatch.

Financing of workmen's compensation coverage by private insurance also contributes to the prevalence of poor administration.

There are more than 150 insurance companies in the field of workmen's compensation. The level of performance varies a great deal. Some insurance carriers pay benefits promptly, others do not. Some will contest many claims and attempt to induce workers to settle for less than what they are entitled to, some will not. The task of adequately policing so many insurance carriers is beyond the capacity of most workmen's compensation systems.

When the workmen's compensation laws were first established, it was felt the laws could be self-executing, with the insurance companies making payments directly to the injured workers and that the workmen's compensation commission would act primarily as a judicial body, making decisions in controverted cases.

This philosophy prevails to a considerable degree today and, unfortunately, settlements are not carefully checked. The injured worker with unpaid bills piling up daily is not in a position for a long legal dispute and will frequently agree to a less favorable settlement with the insurance carrier than he might be entitled to. For example, during the period 1958-60, the state of New Jersey reviewed 23,513 uncontested workmen's compensation cases. Fewer than 50 percent of the settlements were considered adequate.[5] Since the administration of the New Jersey Workmen's Compensation Law is superior to most states, it takes little imagination to visualize the record throughout the rest of the nation.

The Crisis in Workmen's Compensation

Social insurance—and workmen's compensation in particular—is a product of industrial and technological change. Social insurance has been society's response to the resulting human problems. Unfortunately, we cannot hope to cope with our human problems if we continue to advance our technology at breakneck speed but ignore the changes needed in our social insurance programs.

Most of the deficiencies in workmen's compensation laws that existed at their inception still exist today. The first laws were written by men of high purpose who recognized the deficiencies but took further progress for granted. The results have been disappointing. What was a great social advance is now only an unfulfilled promise.

In view of the tragic record of the states, the enactment of a Federal Workmen's Compensation Act is essential. Short of this, the Congress should enact legislation fixing minimum standards of workmen's compensation.

A good state workmen's compensation law should cover all the occupationally injured. It should provide assured, prompt and adequate indemnity benefits with a minimum of litigation. The purpose of the law should be to restore the injured worker to maximum health and wage-earning capacity. This should be done with maximum administrative efficiency but with human welfare the paramount concern of the administrator. A good workmen's compensation law should include at least the following standards:

1. Compulsory coverage with no numerical exemptions.
2. Benefit levels sufficient to maintain a decent standard of living for injured workers and their dependents, with maximum weekly benefits of not less than two-thirds of the state's average weekly wage.
3. Reciprocity of benefit rights between jurisdictions.
4. Full statutory coverage of all occupational diseases.
5. Coverage of diseases caused by ionizing radiation.
6. Full medical benefits for job-incurred personal injuries and occupational diseases.
7. Full compensation protection under second injury funds.
8. Maintenance benefits during rehabilitation.
9. Administration under a state agency rather than the courts.
10. An exclusive state compensation fund.
11. Benefits for the totally disabled for the period of disability.

With the exception of the exclusive state fund, all these standards have been recommended by the U.S. Department of Labor. There is no state law that meets all the recommended standards. Only two jurisdictions, Puerto Rico and the District of Columbia, meet as many as nine. One state does not meet any of the standards.

The states have not met their responsibilities. Unless there is action on the federal level, the nation's first social insurance is likely to remain last in terms of performance.

[5] Statement of Arthur W. Motley, Director, Bureau of Labor Standards, U.S. Department of Labor, before the joint session of the Occupational Health and Medical Care Sections of the Public Health Association, October 17, 1962.

Pract. Labor Legis — Workmen's Comp

AGRICULTURAL WORKERS and WORKMEN'S COMPENSATION

BULLETIN 206

(Revised)

January 1964

U.S. DEPARTMENT OF LABOR

W. Willard Wirtz, Secretary

BUREAU OF LABOR STANDARDS

Arthur W. Motley, Director

PREFACE

The purpose of this bulletin is to answer the many questions that come to the Bureau of Labor Standards regarding farm employers and farmworkers in case of farmwork accidents.

It gives information regarding the present status of the State workmen's compensation laws as they apply to agricultural employment and minimum premium rates for insurance in case of injury sustained in such employment.

It does not answer all the questions on this subject, but it does point out the importance of workmen's compensation protection for this large group of employees, most of whom are not now covered by State workmen's compensation laws.

This bulletin was prepared in the Workmen's Compensation Branch by staff consultants Donald L. Ream, Lloyd Larson, and William O'Donnell, under the general direction of Milton Brooke, Chief, Division of State Services, Bureau of Labor Standards, U.S. Department of Labor.

Workmen's Compensation Protects Farm Employers Farmworkers

- *A ranch hand suffered a broken arm, broken ribs, and a punctured lung when his clothing became entangled in the shaft of a corn chopper.*
- *Another ranchworker lost control of his tractor as he drove up a steep road. The tractor went over the side and overturned, crushing him underneath.*
- *Twenty-seven farmworkers were killed when the truck in which they were riding flipped into a canal after collision with a truck.*
- *A 10-year-old farmworker was killed when he was caught in a conveyor and dragged into a feed grinder.*
- *A 14-year-old farmworker was electrocuted when the electric current jumped from the wires to the shaker, a mechanical device used to hoist cotton, with which he was working.*
- *A truck-train collision caused the death of 32 Mexican farmworkers as well as serious injuries to several others.*

These are actual examples of some of the accidents that are happening on our farms. What protection is afforded farmworkers for the loss of their income and the cost of medical care? What is done to assist the widows and families of those killed in farm accidents? Is the farmer protected from damage suits?

Purpose of workmen's compensation

In nonfarm industries, the great majority of employers and workers are protected by workmen's compensation laws. Under this system, the worker who is injured while on the job receives medical care and cash benefits to offset a portion of his wage loss while he is disabled. (See table 4 on temporary total disability benefits, p. 14.) Workmen's compensation provides a speedy

and simple procedure for the payment of such benefits, as well as related services to the injured worker, such as rehabilitation. The question of who was at fault does not have to be determined; benefits are payable without the question of fault being raised. Workmen's compensation also eliminates the necessity for the employee to sue for damages—a costly and lengthy process, which often ends in failure. On the other hand, it protects the employer from lawsuits which might result in heavy damages being assessed. The principle under which workmen's compensation laws are based is that the cost of such protection is a part of the cost of production.

In contrast to the extensive coverage of nonfarm employers and workers under the workmen's compensation system, farm employers and their workers in the United States in general do not enjoy this protection. Yet some countries of Europe—Belgium, Denmark, Finland, France, West Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Sweden, Spain, Switzerland, and the United Kingdom—do cover work injuries in agriculture.[1]

Although farm occupations have been largely excluded from workmen's compensation in this country since the beginning, the framers of these early laws did not altogether agree that it was desirable to do so. However, farm employers opposed being brought under the law because they felt that such protection was unnecessary. They contended that farm occupations were largely nonmechanized and much less hazardous than factory work.

However, the situation on the farms has changed markedly since that time. For example, the proportion of hired workers to family workers on the farms is increasing. Of the 1962 farm labor force of 6,707,000, 4,873,000 were family workers and 1,834,000 were hired workers.[2] Furthermore, farming today is largely a mechanized industry and the farm operator is a businessman.

The likelihood that an occupational accident will result in death or serious disability is considerably greater in agriculture than elsewhere. In fact, farming has become one of the most hazardous occupations. The National Safety Council reports that 13,700 work deaths in all industries occurred in the United States in 1962, an increase of 200 from 1961. Statistics show that in 1962 there were 3,100 fatal accidents in agriculture, the highest of all industries.[3] Furthermore, the death rate per 100,000 workers in agriculture is exceeded only in mining and construction industries as shown in the following chart.[4]

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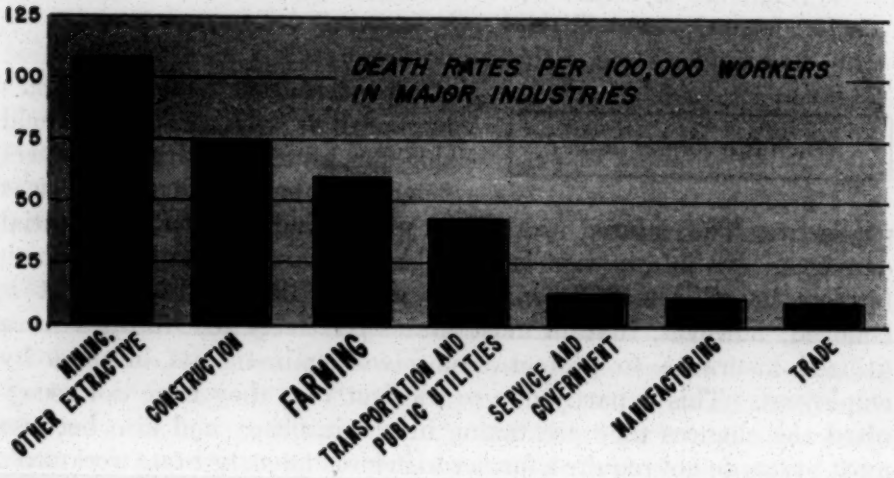
[1] International Social Security Association (XIV General Meeting, Istanbul, Turkey, September, 1961). *Organisation and Financing of Insurance against Employment Accidents.* Herbert Lauterbach, General Secretariat, I.S.S.A., Geneva, 1963. *Employment Accident Insurance* (Annex to Report IV National Monographs). General Secretariat, I.S.S.A., Geneva 1962.

[2] "Farm Labor," February 1963, Statistical Reporting Service, U.S. Department of Agriculture. (These data do not include Alaska or Hawaii.)

[3] *Accident Facts,* National Safety Council, 425 North Michigan Ave., Chicago, Ill., 1963 edition, p. 23.

[4] *Accident Facts,* National Safety Council, 1962 (1963 edition), p. 85.

Farming vs other industries



In agriculture there were 280,000 disabling injuries out of a total of 2 million in all industries. (See table 1.)

TABLE 1.—*Work Accidents*

Industry group	Deaths			Death rates			Disabling injuries, 1962
	1962	1952	Per-cent change	1962	1952	Per-cent change	
All industries	13, 700	15, 000	−9	21	26	−19	2, 000, 000
Trade	1, 200	1, 500	−20	9	13	−31	375, 000
Manufacturing	1, 800	2, 400	−25	11	15	−27	400, 000
Service, government	2, 800	2, 200	+27	13	15	−13	500, 000
Transportation and public utilities	1, 700	1, 700	0	43	38	+13	190, 000
Agriculture	3, 100	3, 800	−19	60	56	+7	280, 000
Construction	2, 400	2, 400	0	74	76	−3	210, 000
Mining, quarrying	700	1, 000	−30	108	114	−5	45, 000

Excerpts from *Accident Facts*, 1963 edition, published by National Safety Council, p. 23.

Fatal farm accidents are not declining in proportion to the decline in farm population in the United States.

In the face of such hazards in agriculture, the farmer is asking questions, such as:

- If my hired farmworker falls and breaks his leg, am I liable?
- Can the injured employee go to court and sue for damages?
- If my neighbor helps me harvest the hay and is injured while driving my tractor, what is my responsibility?

- How can I protect myself from heavy medical expenses if my hired workers are injured?
- If I insure, what will the insurance cost?

Let us consider some of these questions.

When is a farmer liable?

If he does not have workmen's compensation, a farmer may be held liable for injuries to his employees when it can be proved that he was negligent. The injured worker may sue and recover substantial damages. No information is available to show the extent to which farmers have protected themselves against liability claims. It is believed, however, that in most States relatively few farmers have utilized insurance to protect themselves against suits brought by employees. This is partly due to the fact that they have not recognized the chances they are taking in not insuring, and also because most States do not require a farmer to insure under the State workmen's compensation law.

Results of court cases show that farm employers are generally held responsible for the unsafe practices of their employees and for providing a safe place of employment. For example: In Minnesota, a 16-year-old farmworker was injured as a result of being thrown forward onto the sickle bar of a mower when the mower, being pulled by a tractor, struck a washout or depression. Although the mower was not built for anyone to ride on, the farmhand was requested to stand on the mower and unhook the clogging pea vines from the windrower. His legs were caught and injured in the accident. The farmowner was found to be negligent in failing to warn and instruct the farmhand of the dangers incident to his work. The court held that the jury could well find that the mowing machine constituted a dangerous instrumentality, especially for a person as immature and inexperienced as the farmhand.[5]

In the State of Washington, a farm employee herding cattle was instructed by the owner to ride a horse that the owner had stated was gentle. The employee was injured when he was thrown from the horse. The court held that where a worker is required to use a horse in the performance of his work, the employer must exercise care to furnish the employee a reasonably safe horse with which to perform his work. The farm employee did not assume a risk as a matter of law in failing to dismount when the horse balked before throwing him.[6]

A Florida case is another example. A dairy employee took action against his employer for injuries sustained when he stumbled and fell as the cow which he was attempting to drive up a ramp into the barn turned against him. The evidence was sufficient to sustain findings for the dairy employee on the questions of whether an uneven place in

[5] *Jenkins* v. *Jenkins*, 216 Minn., 19 N.W. 2d 389 (1945).
[6] *Williams* v. *Hofer*, 191 Washington, P. 2d 306 (1948).

the ramp was attributable to faulty construction and constituted a proximate cause of injury and whether the employer, having failed to correct such known defect, was negligent in failing to provide a reasonably safe place for the plaintiff to work.[7]

In Indiana, a farm laborer was injured when a tractor overturned on an incline. The Appellate Court held that the farmer, who had borrowed the tractor, was negilgent in not providing the laborer with a reasonably safe tractor because the rear tires of said tractor did not contain fluid to weigh down the tractor and prevent it from turning over. The laborer had discussed with the farmer the faulty manner in which the tractor was operating. The farmer replied that he would not be using the tractor very much. That statement, in the court's opinion, was, in effect, a promise to remove the hazard by returning the tractor to its owner. Furthermore, the court held that the defendant knew the borrowed tractor did not work properly and apparently made no inspection with reference to the fluid in the tires. The laborer was not prevented from recovering from the farmer on the ground that he had assumed the risk, since the case came within the exception to the rule of assumption of risk. Nor was the laborer contributorily negligent as a matter of law.[8]

In Illinois, action was brought to recover damages for personal injuries sustained by a farm employee as a result of negligence on the part of the owner in furnishing him an unsafe and defective cornpicker. The farmworker lost his balance and caught his hand in the husking-bin machinery. His hand was severely torn and mangled, resulting in the loss of several fingers. The court held that where a farmworker informed his employer that the elevator on the cornpicker was "hanging up" and the employer told the worker that he would have it repaired, the farmworker was not contributorily negligent as a matter of law.[9]

Still another case involved a ranch hand in South Dakota who was injured while operating a stack mover, a machine used in feeding cattle, on the owner's ranch. A tractor furnished both its power and locomotion. Action against the employer was for serious permanent injuries sustained when, in response to his employer's demand for help in stopping the tractor with a broken ignition switch, the ranch hand stepped on the drawbar and his foot slipped into the power takeoff. The court held that the power takeoff was protected only by a semicircular shield instead of a completely enclosing shaft and did not constitute a risk to the ranch hand until made so by the negligence of the employer in attempting to stop the motor instead of disengaging the clutch. In the court's opinion, a farm employee can, in the course of his employment, suddenly be confronted with a risk of which he had no previous knowledge, such as the employer's negligence. In this

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[7] *Bartholf* v. *Baker*, 71 Florida, So. 2d 480 (1954).

[8] *Carlson* v. *Snell*, 530 Ind. App. 125 N.E. 2d 27 (1955).

[9] *Russell* v. *Halyama*, 170 N.E. 2d 8 (1960).

case he had no opportunity to make an intelligent choice between quitting or continuing his job. Thus, there can be no voluntary acceptance of an assumption of risk on his part.[10]

A court case in Iowa, [11] involving a neighborly work trading agreement between farmer brothers in Iowa, is of special interest to farmers since it illustrates that under certain circumstances one farmer may be held to be the employer of another.

A farmer sued his brother for damages resulting from an accident on a wagon designed to mix hog feed and unload it into the feeder. The brothers had nearby farms and like most farmers helped each other. The hog feeders were found empty and a brother went over to fill them. The wagon containing feed corn was attached to the tractor takeoff and when he stepped up on the wagon tongue to pull the lever which let down the corn into the feeder, the cuff of his pants caught on some bolts extending from attached plates which were whirling at 350 revolutions per minute. He was tossed around and thrown to the ground. As a result of the accident, he was seriously injured, could not work for a year, and had not fully recovered after 3 years. The lower court awarded a judgment of $15,000.

The court held that his brother was his employer. The two brothers (and four other brothers) traded services back and forth. The work was compensated for at the end of the year if there was any difference in the time worked. The court held that even in the case of a simple exchange of work between farmers—where a farmer performs services for another—there is a relationship of employer and employee. The existence of an employer-employee relationship placed upon the employer a special duty to provide a safe place to work. The defendant brother argued that the injured brother knew that the bolts extended and should have avoided the accident. However, the court held that negligent repair was the real basis of liability. Undoubtedly, many farmers do not realize that neighborly work-trading arrangements can make one farmer the employer of another.

There are numerous other cases, but these will serve to show that there is a problem for both the employer and employee. In cases where the employer does not carry insurance, he may be liable for the entire amount.

In a report entitled "Work Injuries in California Agriculture, 1961," from the California Department of Industrial Relations, published in June 1962, several serious farm accidents were reported:

> A ranch foreman was directing an employee who was using a tractor to free a truck mired in the mud alongside the highway. The foreman stepped between the vehicles to shorten the hitch. The tractor driver released the brake, the tractor rolled back and the foreman was crushed against the truck body.

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[10] *Bartlett* v. *Gregg*, 92 N.W. 2d 654 (1958).

[11] Reported in *Agricultural Banker*, October 1960.

A farmhand was driving a tractor at night along an irrigation ditch. The tractor rolled into the canal when he backed too close to the ditch in attempting to turn around. The worker was found the next morning pinned underneath the tractor in 4 feet of water.

A farm laborer was electrocuted while shaking walnuts from a tree with an aluminum pole. He lost his balance as he lifted the pole and the pole contacted an overhead high voltage powerline.

A labor truck carrying 16 passengers was struck from behind by another truck, resulting in the death of one worker and serious injuries to eight others.

A 16-year-old farm laborer died from overexposure to an organic phosphate compound used to dust strawberry plants. The boy worked all day long without proper protective clothing. He became ill during the late afternoon and was taken to the hospital and returned home after being given treatment. He died the next morning.

A farm shop mechanic was using an acetylene torch to cut an empty drum which had contained a cleaning solvent. The flame exploded the vapors within the drum and the end of the drum blew out, striking the mechanic in the head.

A farm laborer removed the radiator cap from an overheated tractor. When steam rushed out and scalded the worker, he fell back off the tractor, breaking his leg. The worker died as a result of the combined effects of burns over half his body and of shock.

These accidents illustrate what is happening to a greater or lesser degree in all States. They help to focus greater attention on whether agricultural workers should continue to be excluded from workmen's compensation benefits or whether they should have protection similar to that extended to production workers generally.

Workmen's compensation insurance experience in 36 States, principally for the years 1955–60, showed that a total of $64,980,027 was paid on 304,176 injury claims of hired farmworkers. Payments for 576 fatalities averaged $8,364. Permanent-total-disability claim payments averaged $45,430; permanent-partial injuries totaled 9,809 and the payments averaged $3,205.[12]

Why have the States not extended their workmen's compensation laws to the agricultural industry?

Originally, when farm employers were exempted from coverage of the workmen's compensation laws, it was claimed that farming was a way of life and not a hazardous employment. The specialization in crops and mechanization which has characterized agricultural operations in the 20th century places the farmworker in much the same situation as an industrial worker. For that reason it is difficult to justify the argument that an injured agricultural worker should not be entitled to the same benefits as an injured industrial worker.

[12] John D. Rush, "Current Statistics on Farm Accidents in the United States," U.S. Department of Agriculture, Economics Division. Data for 34 States were furnished by the National Council on Compensation Insurance, New York City, N.Y. New Jersey and California data were furnished by the respective State workmen's compensation agencies.

How does the worker actually fare under workmen's compensation laws? These laws are classified generally as applying to employers on a compulsory or elective basis. A compulsory-type law requires that employers within the jurisdiction of the law accept its provisions and provide the benefits prescribed by the act. An elective law permits the employer and employee to accept or reject the provisions of the act. Under most of the elective laws, acceptance of the act by the employer is presumed unless a specific notice is filed rejecting coverage. In those cases where the employer does reject the law, he loses the customary common law defenses of "assumption of risk," "fellow servant rule," and "contributory negligence."

Very few States cover farmworkers in the same manner as other employees

Seventeen States and Puerto Rico have some specific coverage of agricultural workers.

However, the laws of only seven jurisdictions—Alaska, California, Connecticut, Hawaii, Massachusetts, Ohio, and Puerto Rico—are compulsory and provide coverage for farmworkers in the same manner as other employees. Vermont also covers farmworkers in the same manner as other workers. But the Vermont law is elective, under which workers are covered unless the employer "elects" not to come under the act. The Wisconsin law provides compulsory coverage for farmers who employ 6 or more workers for 20 days during a calendar year in one or more locations; this provision becomes applicable 10 days after the 20th such day. New Jersey, which has an elective-type law, applies the act to all farmworkers, but this law expressly provides that farmers are not required to carry insurance.

In eight other States—Arizona, Florida, Kentucky, Louisiana, Minnesota, New York, South Dakota, and Wyoming—agricultural workers engaged in specific farm occupations, usually those operating certain types of machinery, are covered. (See table 2.) Of these States, the laws of Arizona, Minnesota, and New York are compulsory; those of Florida, Kentucky, Louisiana, South Dakota, and Wyoming are elective. In Kentucky and Wyoming, the employer must elect by filing a written notice. In Florida, Louisiana, and South Dakota, the law applies unless the employer specifically rejects it. The Louisiana law excludes from coverage agricultural employees while they are being transported to or from work regardless of the means of conveyance; also members of crews in airplanes engaged in dusting or spraying operations.

The Florida law was amended in 1957 to limit the farm labor exemption to "agricultural labor performed on a farm in the employ of a bona fide farmer or association of farmers." According to the Florida Industrial Commission, this amendment had the effect of extending coverage to farmworkers employed by commercial grove-

caretaking organizations; fruitpickers employed by packinghouse operators who purchase fruit on the trees; fruit or vegetable harvest workers employed by labor contractors who contract with farmers or growers to pick their crops for them; fruit or vegetable packers employed to work in packinghouses not located on a farm; and the like.

TABLE 2.—*States Covering Agricultural Workers in Specific Farm Occupations*

State	Type of law (applicable to agricultural workers)	Coverage	Exemptions
Arizona	Compulsory	Workers engaged in use of machinery.	If fewer than 3 employees.
Florida	Elective	Workers employed by commercial grove-caretaking organizations, fruitpickers employed by packinghouse operators who purchase fruit on the trees, fruit or vegetable harvest workers employed by labor contractors who contract with farmers or growers to pick their crops for them, fruit or vegetable packers employed to work in packinghouses not located on a farm, and the like.	3 employees.
Kentucky	Elective	Workers engaged in the operation of threshing machines used in threshing or hulling grain or seeds.	3 employees.
Louisiana	Elective	Workers engaged in the operation of harvesting machinery and threshing machinery.	No numerical exemptions.
Minnesota	Compulsory	Workers engaged in commercial threshing and commercial baling.	No numerical exemptions.
New York	Compulsory	Workers engaged in the operation of baling machines and threshing machines if on a farm other than that of employer's.	No numerical exemptions.

TABLE 2.—*States Covering Agricultural Workers in Specific Farm Occupations*—Con.

State	Type of law (applicable to agricultural workers)	Coverage	Exemptions
South Dakota	Elective	Workers engaged commercially in the operation of threshing machines, grains combines, corn shellers, silage cutters, and seed hullers for profit.	No numerical exemptions.
Wyoming	Elective	Workers engaged in power farming when one or more are employed for an average of 6 months each year. "Power farming" means work on farm, livestock ranch, or poultry farm, which uses in connection with its operation any power-driven equipment, such as a pickup truck, feed grinder, stacking machinery, tractor, mower, baler, or road grader.	No numerical exemptions.

In most States, the employments that are exempted from compulsory or elective coverage may be brought under the law through the voluntary acceptance of the employer. Such coverage is called voluntary. The employer does not lose his common law rights or or defenses if he does not decide to come under the law.

The laws of Alabama and the District of Columbia expressly prohibit voluntary coverage of farmworkers. Tennessee and Texas laws do not mention this subject.

In the States where voluntary coverage is permitted, it is accomplished either by action of the employer alone or by joint action of the employer and employee. In the following 27 States, such coverage may be chosen by the farmer by insuring under the workmen's compensation act, with no specific action being required on the part of the employee:

Arkansas	Kansas	Nevada	Rhode Island
Colorado	Maine	New Hampshire	South Carolina
Delaware	Michigan	New Mexico	Utah
Idaho	Mississippi	North Carolina	Virginia
Illinois	Missouri	North Dakota	Washington
Indiana	Montana	Oregon	West Virginia
Iowa	Nebraska	Pennsylvania	

In Georgia and Maryland, voluntary coverage of farmworkers is permitted by the joint action of both the employer and employee.

Most of the States listed in table 2 as having either elective or compulsory coverage for specified farm occupations also permit voluntary coverage for some or all other farm occupations. In other words, a farmer in these States may protect his workers under the workmen's compensation laws even though his farming operations are not specifically made subject to the law.

Numerical exemptions

Another factor in State workmen's compensation laws which affects coverage even though the law applies to agricultural employment is the exclusion of the employer if the number of his employees is less than a specified figure. Historically, the original framers of the State workmen's compensation laws justified this provision on the ground that it was administratively unsound to attempt coverage of small firms. Experience in the 22 States that have no numerical exemption in their laws shows the fallacy of this argument.

The cost of workmen's compensation protection

The problem of the cost of providing protection has always been prominent in any discussion of workmen's compensation for agricultural workers. What will it cost to insure farmworkers with workmen's compensation coverage? The answer will vary from State to State. Currently the basic premium per $100 of payroll ranges from $1.63 to $12.40. Usually a minimum premium is required regardless of the amount of payroll. At the present time this ranges from "none" to $158. Premium charges vary according to the type of farming activity, the location of the farm, and the size of the operation. Table 3 (p. 12) shows: (1) the basic premium charge per $100 of payroll; (2) the required minimum premium; and (3) the insurance system which prevails in the respective States.

The broader use of group insurance plans may be part of the answer to the problem of extending coverage to small farms. In fact, the workmen's compensation laws of California, Puerto Rico, and South Dakota provide for group policy arrangements.

For example, the California law allows employers of agricultural labor to carry a group compensation insurance policy if they are (1) members of any nonprofit agricultural association; or (2) members of, or stockholders in, any nonprofit cooperative agricultural marketing associations.

Likewise the Puerto Rico law authorizes the manager of State Insurance Fund to issue group-insurance policies to farm employers

TABLE 3.—*Insurance Systems and Basic Premium Rates for Farm Employment, by Jurisdiction*

State	Insurance system available			Premium cost	
	State fund	Private company	Self-insurance	Minimum premium	Basic rate per $100
Alabama	No	Yes	Yes	(2)	(2)
Alaska	No	Yes	Yes	$45.00	$2.35
Arizona	Yes	Yes	Yes	[3] 54.00	[3] 3.26
Arkansas	No	Yes	Yes	65.00	2.83
California	Yes	Yes	Yes	(4)	(4)
Colorado	Yes	Yes	Yes	89.00	4.59
Connecticut	No	Yes	Yes	71.00	2.93
Delaware	No	Yes	Yes	(5)	(5)
District of Columbia	No	Yes	Yes	(2)	(2)
Florida	No	Yes	Yes	81.00	3.46
Georgia	No	Yes	Yes	70.00	2.42
Hawaii	No	Yes	Yes	[6] 56.00	[6] 2.34
Idaho	Yes	Yes	Yes	89.00	3.75
Illinois	No	Yes	Yes	114.00	4.04
Indiana	No	Yes	Yes	96.00	3.27
Iowa	No	Yes	Yes	74.00	2.91
Kansas	No	Yes	Yes	85.00	4.73
Kentucky	No	Yes	Yes	78.00	3.00
Louisiana	No	(7)	(7)	96.00	5.54
Maine	No	Yes	Yes	53.00	1.94
Maryland	Yes	Yes	Yes	73.00	3.88
Massachusetts	No	Yes	Yes	73.00	4.75
Michigan	Yes	Yes	Yes	134.00	6.48
Minnesota	No	Yes	Yes	97.00	5.81
Mississippi	No	Yes	Yes	96.00	3.60
Missouri	No	Yes	Yes	30.00	5.02
Montana	Yes	Yes	Yes	124.00	5.74
Nebraska	No	Yes	Yes	75.00	2.97
Nevada	Yes	No	No	[8] 12.00	(8)
New Hampshire	No	Yes	Yes	71.00	2.79
New Jersey	No	Yes	Yes	40.00	[9] 6.24
New Mexico	No	Yes	Yes	120.00	5.41
New York	Yes	Yes	Yes	70.00	[10] 4.80
North Carolina	No	Yes	Yes	75.00	2.76
North Dakota	Yes	No	No	(5)	(5)
Ohio	Yes	No	Yes	None	6.87
Oklahoma	Yes	Yes	Yes	158.00	7.04
Oregon	Yes	No	No	7.50	[11] 12.40
Pennsylvania	Yes	Yes	Yes	40.00	2.50
Puerto Rico	Yes	No	No	13.80	4.60
Rhode Island	No	Yes	Yes	55.00	2.69
South Carolina	No	Yes	Yes	71.00	3.16
South Dakota	No	Yes	Yes	75.00	3.00
Tennessee	No	Yes	Yes	74.00	4.26
Texas	No	Yes	No	56.00	2.39

See footnotes at end of table.

TABLE 3.—*Insurance Systems and Basic Premium Rates for Farm Employment, by Jurisdiction*—Continued

State	Insurance system available			Premium cost [1]	
	State fund	Private company	Self-insurance	Minimum premium	Basic rate per $100
Utah	Yes	Yes	Yes	$45.00	$2.30
Vermont	No	Yes	Yes	66.00	3.48
Virginia	No	Yes	Yes	53.00	2.87
Washington	Yes	No	No	[12] 24.00	([12])
West Virginia	Yes	No	Yes	[13] 6.00	[13] 1.63
Wisconsin	No	Yes	Yes	87.00	7.19
Wyoming	Yes	No	No	([14])	([14])

[1] Code number 0006 (National Council on Compensation Insurance) for farms including all employees other than inservants but including drivers, chauffeurs, and helpers, as of September 1963, with the exception of Arizona, California, Hawaii, Nevada, New Jersey, New York, Oregon, Washington, West Virginia, and Wyoming.

[2] Farmworkers not covered.

[3] Code No. 0037.

[4] California rates range from $2.29 to $6.30 depending on type of farming. Minimum premium will vary with rate.

[5] Information not available.

[6] Code Nos. 0005 and 0008.

[7] Insurance or security is compulsory for nonresident employers who do not own immovable property in the State assessed at $25,000. Other employers are not required to secure the payment of compensation.

[8] Nevada rates range from $1.99 to $6.19 depending on type of farming. Minimum premium $1 per month.

[9] Code No. 0085.

[10] Code No. 00065.

[11] Class 1101—General Farming (collectible rate $8.13).

[12] Class 48-3. The rate is $0.07 for industrial insurance and $0.022 for medical aid, per workman hour. Minimum premium $2 per month.

[13] Code No. 0-4. Mimimum premium $1.50 per quarter.

[14] Premium rates are 5 percent of the gross payroll for the first 12 months that employees are reported. If after this period the account reflects a credit balance, the rate is reduced to 1 percent.

of cooperative associations and other nonprofit organizations of a similar type. The South Dakota law allows the organization of individuals, partnerships, or corporations, or combination of them, for the purpose of engaging in the exchange of reciprocal or interinsurance contracts.

What benefits are payable to injured workers?

Under workmen's compensation, farmworkers who are injured on the job are assured an income to maintain themselves and their dependents during the periods of disability and are assured of medical care. Benefits are provided, not only to the injured worker but also, in the case of death, for his family. These include medical services, indemnity benefit payments to the worker during the period of disablement, death benefits to the worker's family, and under most laws, burial expenses. (See table 4, "Minimum and Maximum Benefits for Temporary Total Disability.") Further-

TABLE 4.—*Minimum and Maximum Benefits for Temporary Total Disability Under Workmen's Compensation Laws*

(As of December 1963)

State	Maximum percentage of wages	Maximum period	Payments per week		Total maximum stated in law
			Minimum	Maximum	
Alabama	[1] 55–65	300 weeks	$15, or average wage if less.	$38	
Alaska	65	Duration of disability	$18, or average wage if less.	$100	$20, 000.
Arizona	65	433 weeks	$30 if worker is 21 years of age or over.	$150, plus $2.30 for each total dependent.	
Arkansas	65	450 weeks	$7	$35	$12, 500.
California	[2] 61¾	240 weeks	$25	$70	
Colorado	66⅔	Duration of disability	$10	$43.75	([3])
Connecticut	60	Duration of disability	$20	55 percent, of State's "average production wage."[4]	
Delaware	66⅔	Duration of disability	$25, or actual wage if less.	$50	
District of Columbia	66⅔	Duration of disability	$18, or average wage if less.	$70	$24, 000.
Florida	60	350 weeks	$8, or actual wage if less.	$42	
Georgia	60	400 weeks	$12, or actual wage if less.	$37	$12, 500.
Hawaii	66⅔	Duration of disability	$18, or average wage if less.	$75	$25, 000.

Idaho	[1] 55–60	400 weeks; [5] thereafter $15 per week ($18 if dependent wife) plus $4–$15 for children for duration of disability.	$15 ($18 if dependent wife) to $33.[1]	$32–$52[1] (see col. 3)	
Illinois	[1] 65–80	Duration of disability until equivalent of death benefit is paid, except in specific injury cases limited to 64 weeks.	$31.50–$49[1]	$51–$61[1]	$13, 500–$17, 500.[1]
Indiana	60	500 weeks	$18, or average wage if less.	$42	$16, 500.
Iowa	66⅔	300 weeks	$18, or actual wage if less.	$34–$50[1]	
Kansas	60	415 weeks	$7	$42	$17, 430.
Kentucky	65	425 weeks [6]	$16	$38	$16, 150.[6]
Louisiana	65	300 weeks	$10, or actual wage if less.	$35	
Maine	66⅔	500 weeks	$18	$42	$21,000.
Maryland	66⅔	208 weeks	$18, or actual wage if less.	$48	
Massachusetts	66⅔	Duration of disability	$20, or average wage if less, but not less than $10 if normal working hours are 15 or more.	$53, plus $6 for each total dependent. Aggregate shall not exceed the average weekly wage of the employee.	$16,000, plus dependents' allowances.[7]
Michigan	66⅔	500 weeks	$18–$28[1]	$33–$57[1]	([8]).
Minnesota	66⅔	350 weeks	$17.50	$45	
Mississippi	66⅔	450 weeks	$10	$35	$12,500.
Missouri	66⅔	400 weeks	$16, or actual wage if less.	$47.50	

See footnotes at end of table.

TABLE 4.—*Minimum and Maximum Benefits for Temporary Total Disability Under Workmen's Compensation Laws*—Continued

(As of December 1963)

State	Maximum percentage of wages	Maximum period	Payments per week		Total maximum stated in law
			Minimum	Maximum	
Montana	[1] 50–66⅔	300 weeks	$25.50	$29–$50 [1]	
Nebraska	66⅔	300 weeks; [5] thereafter 45 percent of wages, maximum $32.	$26, or actual wage if less, first 300 weeks; thereafter $22, or actual wage if less.	$40 (see col. 3)	
Nevada	[1] 65–90	433 weeks	No statutory minimum	$45–$62.31 [1]	
New Hampshire	66⅔	312 weeks; thereafter annual extensions in the discretion of the labor commissioner.	$15, or average wage if less.	$45	
New Jersey	([9])	300 weeks	$10	$45	
New Mexico	60	500 weeks	$24, or actual wage if less	$38	$20,000.
New York	66⅔	Duration of disability	$20, or actual wage if less	$55	$6,500.
North Carolina	60	400 weeks [10]	$10	$37.50	$12,000.[10]
North Dakota	80	Duration of disability	$15, plus $3 for each dependent child under 18, or those over 18 incapable of self-support.	$45–$60 [1]	
Ohio	66⅔	Duration of disability	$25, or actual wage if less	$56 for the first 12 weeks; thereafter $49.	$10,750.

Oklahoma	66⅔	300 weeks; may be extended to 500 weeks.	$15, or actual wage if less.	$37.50	
Oregon	[1] 50–75	Duration of disability	$30, or actual wage if less.	$32.31–$66.92 [1]	
Pennsylvania	66⅔	Duration of disability	$27.50, or 90 percent of actual wage if less, but in no event less than $20.	$47.50	
Puerto Rico	66⅔	312 weeks	$8	$35	
Rhode Island	60	Duration of disability [11]	$17 if worker is receiving benefits under the State temporary disability insurance act. $22 if worker is not receiving benefits under the State temporary disability insurance act.	$40 if worker is receiving benefits under the State temporary disability insurance act. $45–$57 [1] if worker is not receiving benefits under the State temporary disability insurance act.	([11])
South Carolina	60	500 weeks	$5	$35	$10,000.
South Dakota	55	312 weeks	$20, or average wage if less.	$38	$13,500.
Tennessee	65	300 weeks	$15, or average wage if less, but in no event less than $12.	$36	
Texas	60	401 weeks	$9	$35	
Utah	60	312 weeks	$25–$39.25,[1] or actual wage if less.	$40–$54.25 [1]	$11,204–$15,126.[1]
Vermont	66⅔	330 weeks [5]	$20, plus $2.50 for each dependent child under 21, or average wage if less.	$39, plus $2.50 for each dependent child under 21.	

See footnotes at end of table.

TABLE 4.—*Minimum and Maximum Benefits for Temporary Total Disability Under Workmen's Compensation Laws*—Continued

(As of December 1963)

State	Maximum percentage of wages	Maximum period	Payments per week		Total maximum stated in law
			Minimum	Maximum	
Virginia	60	500 weeks	$12	$37	$14,800.
Washington		Duration of disability	Same as maximum	$38.08–$71.54 [1]	
West Virginia	66⅔	208 weeks	$22	$38	
Wisconsin	70	Duration of disability	$8.75	$64	
Wyoming	66⅔	Duration of disability	$30–$46.15 [1]	$40.38–$60 [1]	
United States:					
Federal employees	[1] 66⅔–75	Duration of disability	$41.54, or actual wage if less.	$121.15	
Longshoremen	66⅔	Duration of disability	$18, or average wage if less.	$70	$24,000.

[1] According to number of dependents. In Idaho, Oregon, Washington, and Wyoming, according to marital status and number of dependents. In Illinois, according to number of dependent children under 16, or under 18 when not emancipated.

[2] The California law provides for 65 percent of 95 percent of actual earnings, or 61¾ percent.

[3] Colorado: If periodic disability benefits are payable to the worker under the Federal OASDI, the workmen's compensation weekly benefits shall be reduced (but not below zero) by an amount approximating one-half such Federal benefits for such week. If disability benefits are payable under an employer pension plan, the workmen's compensation benefits shall be reduced in an amount proportional to the employer's percentage of total contributions to the plan.

Colorado does not limit total maximum for disability from accidental injury, except that if payable in lump sum, maximum is $13,650; in case of occupational diseases, the maximum is $13,693.75.

[4] Connecticut: Beginning October 1963, this amounted to $57 a week.

[5] In case total disability begins after a period of partial disability, the period of partial disability shall be deducted from the specified period for temporary total.

[6] Kentucky: If period of total disability begins after a period of partial disability, the period of partial disability shall be deducted from the 425 weeks and the $16,150.

[7] Massachusetts: Maximum $18,000 for temporary total and permanent partial disability.

[8] Michigan: Total maximum may not exceed 500 times total weekly amount payable.

[9] New Jersey: Benefits are set in accordance with a "wage and compensation schedule." Under this schedule, the 66⅔-percent level is adhered to rather closely for workers earning wages of $45 a week or less. For workers who earn more, the schedule specifies benefits which are less than 66⅔ percent. For instance, a worker earning $60 a week is entitled to a compensation benefit of $36, or 60 percent.

[10] North Carolina: The 400 weeks and $12,000 do not apply in cases of permanent total disability resulting from an injury to the brain or spinal cord, or from loss of mental capacity caused by an injury to the brain.

[11] Rhode Island: After 1,000 weeks, or after $16,000 has been paid, payments to be made from second-injury fund for period of disability. The allowance of up to $12 a week for dependent children is also payable from this fund.

more, in many States, they also include special benefits, for instance, rehabilitation services for the injured workers, or extra benefits for minors injured while illegally employed.[13]

Recommendations of IAIABC and other organizations

For years different organizations have recommended the extension of coverage to agricultural workers.

At the 44th convention of the International Association of Governmental Labor Officials (IAGLO), August 28–31, 1961, in Portland, Oreg., the following resolution was adopted:

> "Resolved, that increased efforts be made to extend the coverage of State and Federal laws to agricultural workers."

The Council of State Governments has recommended in "Program of Suggested Legislation—1963," the coverage of agricultural employees whose employer has more than three employees in such employment.

In a report of the Special Committee to study the standards advocated by the International Association of Industrial Accident Boards and Commissions (IAIABC), adopted at the 48th Annual Convention of IAIABC, in Indianapolis, Ind., September 23–27, 1962, it was recommended that all farm employees be covered by all farm employers who have a payroll that exceeds $1,000 a year.

The experience of the States which cover farmworkers in the same manner as other employees shows that it is feasible and practicable to cover farmworkers under the workmen's compensation laws. Under this system, farm employers are protected against costly damage suits and will be able to gage more accurately their cost of production. Farmworkers who are injured on the job will be assured an income to maintain themselves and their dependents during periods of disability, and will be assured of medical care. Both the employer and the worker will be spared the long delays, the expense, and other difficulties where a suit for damages is involved.

For these reasons, the U.S. Department of Labor recommends that the protection of workmen's compensation which now accrues to more than 45 million workers in the United States should be extended to cover agricultural workers not included at the present time in many States.

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[13] For further information about benefits under State workmen's compensation laws, see *State Workmen's Compensation Laws*, U.S. Department of Labor, Bureau of Labor Standards, Bull. 161 (Revised), 1964.

U.S. GOVERNMENT PRINTING OFFICE: 1964

INDUSTRIAL COMMISSION OF WISCONSIN

WORKMEN'S COMPENSATION ACT OF WISCONSIN

With Amendments to August 1, 1965

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WORKMEN'S COMPENSATION ACT
(WITH 1965 AMENDMENTS)

102.01 Definitions. (1) The provisions of this chapter may be known, cited and referred to as the "Workmen's Compensation Act" and allowances, recoveries and liabilities under or pursuant to this act constitute and may be known, designated and referred to as "Workmen's Compensation."

(2) "Act" as used in this chapter means "chapter"; "compensation" means workmen's compensation; "primary compensation and death benefit" * * * *means* compensation or indemnity for disability, or death benefit, other than increased, double or treble compensation or death benefit; "injury" is mental or physical harm to an employe caused by accident or disease, and also damage to or destruction of artificial members, dental appliances, teeth, *hearing aids,* and eye glasses, but, in the case of *hearing aids or* eyeglasses, only if such damage or destruction resulted from accidents which also caused personal injury entitling the employe to compensation therefor (either for disability or treatment); "municipality" includes county, city, town, village, school district, sewer district, drainage district, and

other public or quasi-public corporations; "examiner" includes the director of workmen's compensation; and "commission" means the industrial commmission of Wisconsin. "Time of injury," "occurrence of injury," or "date of injury" is the date of the accident which caused the injury, or in the case of disease the last day of work for the last employer whose employment caused disability, except that in case of occupational deafness the definition in s. 102.555 controls.[1, 2]

102.03 Conditions of liability. (1) Liability under this chapter shall exist against an employer only where the following conditions concur:

(a) Where the employe sustains an injury.

(b) Where, at the time of the injury, both the employer and employe are subject to the provisions of this chapter.

(c) 1. Where, at the time of the injury, the employe is performing service growing out of and incidental to his employment. Every employe going to and from his employment in the ordinary and usual way, while on the premises of his employer, or while in the immediate vicinity thereof if the injury results from an occurrence on the premises, shall be deemed to be performing service growing out of and incidental to his employment; and so shall any fireman responding to a call for assistance outside the limits of his city or village, unless such response is in violation of law. The premises of his employer shall be deemed to include also the premises of any other person on whose premises service is being performed.

2. To enhance the morale and efficiency of public employes in this state and attract qualified personnel to the public service, it is the policy of the state that the benefits of this chapter shall extend and be granted to employes in the service of the state or of any municipality therein on

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[1] As to eyeglasses and hearing aids, damage or destruction must result from an *accident* which also causes personal injury entitling the employe to medical treatment or payment of compensation. The effect is that if an employe merely slips and his eyeglasses or hearing aid drop to the floor and break, but no personal injury results to the employe, there will be no payment for damage to eyeglasses or hearing aid.

[2] Compensation benefits may be recovered for disability which occurs after the severance of the employer-employe relationship, even though there was neither wage loss, nor time loss during the time that the employe was in service.

the same basis, in the same manner, under the same conditions, and with like right of recovery as in the case of employes of persons, firms or private corporations. Accordingly, the same considerations, standards, and rules of decision shall apply in all cases in determining whether any employe under this chapter, at the time of injury, was performing service growing out of an incidental to his employment. For the purposes of this subsection no differentiation shall be made among any of the classes of employers enumerated in s. 102.04 or of employes enumerated in s. 102.07; and no statutes, ordinances, or administrative regulations otherwise applicable to any employes enumerated in s. 102.07 shall be controlling.

(d) Where the injury is not intentionally self-inflicted.

(e) Where the accident or disease causing injury arises out of his employment.

(f) Every employe whose employment requires him to travel shall be deemed to be performing service growing out of and incidental to his employment at all times while on a trip, except when engaged in a deviation for a private or personal purpose. Acts reasonably necessary for living or incidental thereto shall not be regarded as such a deviation. Any accident or disease arising out of a hazard of such service shall be deemed to arise out of his employment.[3]

(g) For the purposes of this chapter, members of the state legislature shall be deemed covered while traveling to and from the capital in the performance of their function as legislators, and while traveling in the performance of their official duties as members of committees or other bodies created by the legislature or the governor, either during the session or during the interim.

(2) Where such conditions exist the right to the recovery of compensation pursuant to this chapter shall be the exclusive remedy against the employer, and the workmen's compensation insurance carrier.

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[3] Accident or disease must arise out of a hazard of employment, and accidents and diseases not caused by reason of incidents of service are not to be compensated. Injuries, whether accidental or otherwise, must therefore, arise out of the business circumstances of the trip and not merely occur because of a personal condition or disability bearing no relation whatsoever to service.

(3) In the case of disease intermittent periods of temporary disability shall create separate claims, and permanent partial disability shall create a claim separate from a claim for any subsequent disability which latter disability is the result of an intervening cause.

(4) The right to compensation and the amount thereof shall in all cases be determined in accordance with the provisions of law in effect as of the date of the injury.

102.04 Definition of employer (1) The following shall constitute employers subject to the provisions of this chapter, within the meaning of section 102.03:

(a) The state, each county, city, town, village, school district, sewer district, drainage district and other public or quasi-public corporations therein.

(b) Every person who usually employs 3 or more employes, whether in one or more trades, business, professions or occupations, and whether in one or more locations. This paragraph shall not apply to farmers or to farm labor.[4]

(c) Every person engaged in farming who on any 20 consecutive or nonconsecutive days during a calendar year employs 6 or more employes, whether in one or more locations. The provisions of this chapter shall apply to such employer 10 days after the twentieth such day.[5]

(d) Every person to whom pars. (a), (b) and (c) are not applicable, who has any person in service under any contract of hire, express or implied, oral or written, and who, at or prior to the time of the injury to the employe for which compensation may be claimed, shall, as provided in s. 102.05, have elected to become subject to the provisions of this chapter, and who shall not, prior to such accident, have effected a withdrawal of such election.

(2) Members of partnerships shall not be counted as employes. Except as provided in s. 102.07 (5) (a), a person

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[4] The employer becomes subject to the act whether the employes are in one or more trades, or one or more locations. An employer with two employes in Milwaukee and two in Madison would become subject even though employes in Milwaukee were engaged in the shoe business and employes in Madison in the restaurant business.

[5] Farmers are made subject to the act if there are 6 or more employes on any 20 days in a calendar year, and workmen's compensation insurance must be provided. Farmers were exempt until this provision became effective January 1, 1962.

under contract of hire for the performance of any service for any employer subject to this section (1961) shall not constitute an employer of any other person with respect to such service and such other person shall, with respect to such service, be deemed to be an employe only of such employer for whom the service is being performed.[6]

(3) As used in this chapter "farming" means the operation of farm premises owned or rented by the operator. "Farm premises" means areas used for operations herein set forth, but does not include other areas, greenhouses or other similar structures unless used principally for the production of food and farm plants. "Farmer" means any person engaged in farming as defined. Operation of farm premises shall be deemed to be the planting and cultivating of the soil thereof; the raising and harvesting of agricultural, horticultural or arboricultural crops thereon; the raising, breeding, tending, training and management of livestock, bees, poultry, fur bearing animals, wildlife or aquatic life, or their products, thereon; the processing, drying, packing, packaging, freezing, grading, storing, delivering to storage, to market or to a carrier for transportation to market, distributing directly to consumers or marketing any of the above-named commodities, substantially all of which have been planted or produced thereon; the clearing of such premises and the salvaging of timber and management and use of wood lots thereon, but not including logging, lumbering or wood cutting operations unless conducted as an accessory to other farming operations; the managing, conserving, improving and maintaining of such premises or the tools, equipment and improvements thereon and the exchange of labor, services or the exchange of use of equipment with other farmers in pursuing such activities. The operation for not to exceed 30 days during any calendar year, by any person deriving his principal income from farming, or farm machinery in performing farming services for other farmers for a consideration other than

[6] A possible dual status of employer and employe is objectionable because of confusion, delay and expense caused in determining who is actually to assume liability. This provision makes it clear that an employe cannot also be an employer with respect to service performed for an employer and that employes or helpers of the employe are to be deemed employes only of the employer for whom the service utilmately is being performed.

exchange of labor shall be deemed farming. Operation of such premises shall be deemed to include also any other activities commonly considered to be farming whether conducted on or off such premises by the farm operator.

102.05 Election by employer, withdrawal.[7] (1) Such election to become subject to the act on the part of the employer shall be made by filing with the commission, a written statement that he accepts the provisions of this chapter. The filing of such statement shall operate to subject such employer to its provisions, unless he shall file in the office of said commission a notice that he desires to withdraw his election, which withdrawal shall take effect thirty days after the date of such filing or at such later date as may be specified in the notice. Unless such withdrawal is filed the employer shall remain subject to the act, except that an employer who shall have had no employe at any time within a continuous period of 2 years shall be deemed to have effected withdrawal which shall be effective on the last day of such period. Such employer, however, shall again become subject to the act if at any time subsequent to such period of no employment he shall have 3 or more employes as provided in subsection (2), except as he may have elected not to accept the provisions of the act as provided in subsection (2).[8]

(2) If any employer shall at any time have three or more employes, whether in one or more trades, businesses, professions or occupations, and whether in one or more locations, he shall be deemed to have elected to accept the provisions of this chapter, unless prior to that time such employer shall have filed with the commission a notice in writing that he elects not to accept the provisions hereof. Such employer may withdraw in the manner provided in

[7] Application of the law is compulsory for employers who usually employ three or more employes in the course of a trade, business, profession or occupation, with the exception of farmers. The state and its civil subdivisions have always been compulsorily subject. Employers who *usually* employ fewer than three employes may nevertheless become subject to the workmen's compensation act as provided in 102.05 (2).

[8] An employer who has withdrawn by lapse of time during which he has no employes will again become subject to the act if at any time subsequently he shall have three or more employes as provided in subsection (2) except as he may have previously elected not to accept the provisions of the act as provided in subsection (2).

subsection (1). This subsection shall not apply to farmers or to farm labor. Members of partnerships shall not be counted as employes under this subsection.

(3) Any employer who shall enter into a contract for the insurance of compensation, or against liability therefor, shall be deemed thereby to have elected to accept the provisions of this chapter, and such election shall include farm laborers, domestic servants and employes not in the course of a trade, business, profession or occupation of the employer if such intent is shown by the terms of the policy. Such election shall remain in force until withdrawn in the manner provided in subsection (1)..[9]

(4) Any person engaged in farming who has become subject to this chapter may withdraw by filing with the commission a notice of withdrawal, providing he has not employed 6 or more employes as defined by s. 102.07 (5) on 20 or more days during the current or previous calendar year. Such withdrawal shall be effective 30 days after the date of receipt by the commission, or at such later date as is specified in the notice. Such person may again become subject to this chapter as provided by s. 102.04 (1) (c) and (d).

102.06 Joint liability of employer and contractor. An employer shall be liable for compensation to an employe of a contractor or subcontractor under him who is not subject to this chapter, or who has not complied with the conditions

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[9] An employer who usually employs fewer than three employes may nevertheless become subject to the workmen's compensation act in any of three different ways: (1) by filing with the industrial commission a written statement of his election; (2) by *employing* three or more persons at any time, without previously having filed a notice of non-election with the industrial commission; (employment of three persons for a single *moment*, although some of these employes may have been only casual employes, is sufficient. *Stapleton Cheese Co. vs. Ind. Comm.*, 249 Wis. 133. (3) by securing a workmen's compensation insurance policy.

Commercial threshermen, clover hullers, silo fillers, corn shredders, and other employers who work for farmers are not considered to be engaged in farming operations and become subject to the act as do other non-farming employers. An employer who has once become subject to the compensation act remains subject thereafter so long as he employs even one person, or until he effects withdrawal by filing a written notice with the Industrial Commission or by lapse of two years with no employe in service. Employers who usually employ three or more in the course of a trade, business, profession or occupation (except farmers) cannot withdraw since they are compulsorily subject to the act.

of section 102.28 (2) in any case where such employer would have been liable for compensation if such employe had been working directly for him, including also work in the erection, alteration, repair or demolition of improvements or of fixtures upon premises of such employer which are used or to be used in the operations of such employer.[10] The contractor or subcontractor (if he is subject to the workmen's compensation act) shall also be liable for such compensation, but the employe shall not recover compensation for the same injury from more than one party. In the same manner, under the same conditions, and with like right of recovery, as in the case of an employe of a contractor or subcontractor, described above, an employer shall also be liable for compensation to an employe who has been loaned by him to another employer. The employer who becomes liable for and pays such compensation may recover the same from such contractor, subcontractor or other employer for whom the employe was working at the time of the injury if such contractor, subcontractor or other employer was an employer as defined in section 102.04.

102.07 Employe defined. "Employe" as used in this chapter means:

(1) Every person, including all officials, in the service of the state, or of any municipality therein whether elected or under any appointment, or contract of hire, express or implied, and whether a resident or employed or injured within or without the state. The state and any municipality may require a bond from a contractor to protect it against compensation to employes of such contractor or employes of a subcontractor under him.

(2) Any peace officer shall be considered an employe while engaged in the enforcement of peace or in the pursuit and capture of those charged with crime.

(3) Nothing herein contained shall prevent municipalities from paying teachers, policemen, firemen and other

[10] This provision is not intended to limit the other provisions of this section, but to make clear that if work is being performed under the circumstances stated, liability will exist against the principal employer as provided. The intent is to provide for broader coverage of contractor employes than obtains under decisions which the court has rendered, as in the case of *City of Hudson vs. Industrial Commission*, 241 Wis. 476.

employes full salaries during disability, nor interfere with any pension funds, nor prevent payment to teachers, policemen or firemen therefrom.

(4) Every person in the service of another under any contract of hire, express or implied, all helpers and assistants of employes, whether paid by the employer or employe, if employed with the knowledge, actual or constructive, of the employer, including minors (who shall have the same power of contracting as adult employes), but not including (a) domestic servants (b) any person whose employment is not in the course of a trade, business, profession or occupation of his employer, unless as to any of said classes, such employer has elected to include them. Item (b) shall not operate to exclude an employe whose employment is in the course of any trade, business, profession or occupation of his employer, however casual, unusual, desultory or isolated any such trade, business, profession or occupation may be.[11]

(5) For the purpose of determining the number of employes to be counted under s. 102.04 (1) (c), but for no other purpose, the following definitions shall apply:

(a) Farmers or their employes working on an exchange basis shall not be deemed employes of a farmer to whom their labor is furnished in exchange.

(b) The parents, spouse, child, brother, sister, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law of a farmer shall not be deemed his employes.

(6) Every person selling or distributing newspapers or magazines on the street or from house to house. Such a person shall be deemed an employe of each independent news agency which is subject to this chapter, or (in the absence of such agencies) of each publisher's (or other intermediate) selling agency which is subject to this chapter, or (in the absence of all such agencies) of each publisher, whose newspapers or magazines he sells or distributes. Such a person shall not be counted in determining whether an intermediate agency or publisher is subject to this chapter.

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[11] Persons who engage in any business undertaking, however limited as to time or magnitude, will become subject to the compensation act when three persons are employed.

(7) Every * * * member of any volunteer fire company or fire department organized under * * * ch. 213 *or any legally organized rescue squad* shall be deemed an employe of such company * * *, department *or squad. Every such member, while serving as an auxiliary policeman at an emergency, shall also be deemed an employe of said company, department or squad.* If such company * * *, department *or squad* has not insured its liability for compensation to its employes, the municipality or county within which such company * * * department *or squad* was organized shall be liable for such compensation.[12]

(8) Every independent contractor who does not maintain a separate business and who does not hold himself out to and render service to the public, provided he is not himself an employer subject to this chapter or has not complied with the conditions of subsection (2) of section 102.28, shall for the purpose of this chapter be an employe of any employer under this chapter for whom he is performing service in the course of the trade, business, profession or occupation of such employer at the time of the injury.[13]

(9) Members of the national and state guards, when in state service performing official duty under direction of appropriate authority, but only in case Federal laws, rules or regulations provide no benefits substantially equivalent to those provided in this chapter.

(10) Further to effectuate the policy of the state that the benefits of this chapter shall extend and be granted to employes in the service of the state, or of any municipality therein on the same basis, in the same manner, under the same conditions, and with like right of recovery as in the case of employes of persons, firms or private corporations, any question whether any person is an employe under this chapter shall be governed by and determined under the

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[12] Volunteer firemen and members of rescue squads are to be considered employes and entitled to benefits in event of injury. However, if the volunteer fire company has not been organized under provisions of Chapter 213 the members are not employes unless their status may be determined to be such under general provisions. If the company or department has not insured liability of its members the municipality becomes liable for compensation.

[13] The effect is to cover independent contractors as defined in the same manner as though they were regular employes, and for the purposes of the act to constitute them as statutory employes.

See text Sec. 22.01, defining certain civil defense workers as employes subject to the act with limitations.

same standards, considerations, and rules of decision in all cases under subs. (1) to (9). Any statutes, ordinances, or administrative regulations which may be otherwise applicable to the classes of employes enumerated in sub. (1) shall not be controlling in deciding whether any person is an employe for the purposes of this chapter.

102.08 Nonelection by epileptics, blind persons, corporation officers. Epileptics and persons who are totally blind may elect not to be subject to the provisions of this chapter for injuries resulting because of such epilepsy or blindness and still remain subject to its provisions for all other injuries. Officers of corporations may also elect not to be subject to the provisions of this chapter. Such elections shall be made by giving notice to the employer in writing on a form to be furnished by the industrial commission, and filing a copy of such notice with the industrial commission. An election may be revoked by giving written notice to the employer of revocation, and such revocation shall be effective upon filing a copy of such notice with the industrial commission.

102.11 Earnings, method of computation.[14] (1) The average weekly earnings for temporary disability shall be taken at not less than $12.50 nor more than * * * *$97.15, resulting*

[14] The intent of this provision is that earnings on a normal full time basis shall be the basis for payment of compensation. Where board, lodging, or apprenticeship instruction is furnished the employe as a part of the consideration, the fair value of these benefits is to be added to the money wage in computing the compensation due. Any bonus, tip or premium is also part of the wage and must be reported as such by the employer in the first report of accident (Form WC-12).

Where the worker at the time of injury is working part time, his wage is to be extended to a normal full time basis by multiplying the hourly basis by the number of hours of the full time working day for the employment involved, and by multiplying the daily earnings by the number of days and fractional days normally worked per week at the time of the injury in the business operation of the employer for the particular employment in which the employe was engaged at the time of his injury. Special treatment is provided for seasonal employment. Seasonal employment is defined as employment which can be conducted only during certain times of the year, and in no event is such employment to be considered seasonal if it extends over a period of more than 14 weeks within a calendar year.

In the case of persons performing service without fixed earnings, usual going earnings paid for similar services on a normal full time basis in the same or similar employment are to be utilized.

In no case is less than actual average weekly earnings to be taken, provided the injured has worked within each week of at least six calendar

in a weekly compensation rate of $68; for permanent total disability or death at not less than $20 nor more than * * * *$97.15, resulting in a maximum weekly compensation rate of $68 for permanent total disability and $48.57½ for death benefits;* and for permanent partial disability at not less than $20 nor more than * * * *$65.72, resulting in a maximum weekly compensation rate of $46.* Between said limits the average weekly earnings shall be determined as follows:[15]

(a) Daily earnings shall mean the daily earnings of the employe at the time of the injury in the employment in which he was then engaged. In determining daily earnings under this paragraph, overtime shall not be considered. If at the time of the injury the employe is working on part time for the day, his daily earnings shall be arrived at by dividing the amount received, or to be received by him for such part time service for the day, by the number of hours and fractional hours of such part time service, and multiplying the result by the number of hours of the normal full time working day for the employment involved. The words "part time for the day" shall apply to Saturday half days and all other days upon which the employe works less than normal full time working hours. The average weekly earnings shall be arrived at by multiplying the daily earnings

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weeks during the year before his injury in the business in the kind of employment and for the employer for whom he worked when injured. Except for this provision, overtime is not taken into consideration.

The court has held that where a given number of hours per week are worked the total number of hours is to be taken and that "premium" wage is to be considered in determining weekly wage for compensation purposes. "Overtime" means only time beyond the number of hours usually worked by the employe, and not merely hours during which base normal wage is paid.

In no case shall average weekly earnings be less than 30 times normal hourly earnings at the time of injury.

Average annual earnings are not to be taken at less than actual annual earnings of the employe during the year immediately preceding the injury in the employment in which he worked at the time of injury.

[15] This amendment was effected by Chapter 166, Laws of 1965, effective August 1, 1965. Maximum for temporary disability, permanent total disability, and death is changed from a wage of $91.43 to $97.15, with compensation of $68 instead of $64. Compensation for permanent partial disability is increased to a maximum of $46 based upon a wage of $65.72 or more. There is no change in minimum wage, which remains at $12.50 for temporary disability, with compensation of $8.75 and $20 wage for permanent disability and death, with compensation at $14.

by the number of days and fractional days normally worked per week at the time of the injury in the business operation of the employer for the particular employment in which the employe was engaged at the time of his injury.

(b) In case of seasonal employment, average weekly earnings shall be arrived at by the method prescribed in paragraph (a), except that the number of hours of the normal full time working day and the number of days of the normal full time working week shall be such hours and such days in similar service in the same or similar non-seasonal employment. Seasonal employment shall mean employment which can be conducted only during certain times of the year, and in no event shall employment be considered seasonal if it extends during a period of more than fourteen weeks within a calendar year.

(c) In the case of persons performing service without fixed earnings, or where normal full time days or weeks are not maintained by the employer in the employment in which the employe worked when injured, or where, for other reason, earnings cannot be determined under the methods prescribed by paragraph (a) or (b), the earnings of the injured person shall, for the purpose of calculating compensation payable under this chapter, be taken to be the usual going earnings paid for similar services on a normal full time basis in the same or similar employment in which earnings can be determined under the methods set out in paragraph (a) or (b).

(d) Except in situations where paragraph (b) applies, average weekly earnings shall in no case be less than actual average earnings of the employe for the calendar weeks during the year before his injury within which the employe has been employed in the business, in the kind of employment and for the employer for whom he worked when injured. Calendar weeks within which no work was performed shall not be considered under this provision. This paragraph shall be applicable only if the employe has worked within each week of at least six calendar weeks during the year before his injury in the business, in the kind of employment and for the employer for whom he worked when injured.

(e) Where any things of value are received in addition to monetary earnings as a part of the wage contract, they shall be deemed a part of earnings and computed at the value thereof to the employe.

(f) Average weekly earnings shall in no case be less than 30 times the normal hourly earnings, at the time of injury, provided that for injury occurring before September 1, 1947, they shall not be less than 40 times such earnings.

(g) If an employe is under twenty-seven years of age, his average weekly earnings on which to compute the benefits accruing for permanent disability or death shall be determined on the basis of the earnings that such employe, if not disabled, probably would earn after attaining the age of twenty-seven years. Unless otherwise established, said earnings shall be taken as equivalent to the amount upon which maximum weekly indemnity is payable.

(2) The average annual earnings when referred to in this chapter shall consist of 50 times the employe's average weekly earnings. Subject to the maximum limitation, average annual earnings shall in no case be taken at less than the actual earnings of the employe in the year immediately preceding his injury in the kind of employment in which he worked at the time of injury.

(3) The weekly wage loss referred to in this chapter, except under subsection (6) of section 102.60, shall be such percentage of the average weekly earnings of the injured employe computed according to the provisions of this section, as shall fairly represent the proportionate extent of the impairment of his earning capacity in the employment in which he was working at the time of the injury, and other suitable employments, the same to be fixed as of the time of the injury, but to be determined in view of the nature and extent of the injury.

102.12 Notice of injury, exception, laches. No claim for compensation shall be maintained unless, within 30 days after the occurrence of injury or within 30 days after the employe knew or ought to have known the nature of his disability and its relation to his employment, actual notice was received by the employer or by an officer, man-

ager or designated representative of an employer. If no representative has been designated by posters placed in one or more conspicous places, then notice received by any superior shall be sufficient. Absence of notice shall not bar recovery if it is found that the employer was not misled thereby. Regardless of whether notice was received, if no payment of compensation (other than medical treatment or burial expense) is made, and no application is filed with the commission within 2 years from the date of the injury or death, or from the date the employe or his dependent knew or ought to have known the nature of the disability and its relation to the employment, the right to compensation therefor shall be barred, except that the right to compensation shall not be barred if the employer knew or should have known, within the 2-year period, that the employe had sustained the injury on which claim is based. Issuance of notice of a hearing on the commission's own motion shall have the same effect for the purposes of this section as the filing of an application.

102.13 Examination by physician, competent witnesses, exclusion of evidence, autopsy. (1) Whenever compensation is claimed by any employe, he shall, upon the written request of his employer, submit to reasonable examination by a physician, provided and paid for by the employer, and shall likewise submit to examination from time to time by any physician selected by said commission, or a member or examiner thereof. The employe shall be entitled to have a physician, provided by himself, present at any such examination. So long as the employe, after such written request of the employer, shall refuse to submit to such examination, or shall in any way obstruct the same, his right to begin or maintain any proceeding for the collection of compensation shall be suspended; and if he shall refuse to submit to such examination after direction by the commission, or any member or examiner thereof, or shall in any way obstruct the same, his right to the weekly indemnity which shall accrue and become payable during the period of such refusal or obstruction, shall be barred. Any physician who shall be present at any such examination may be required to testify as to the results thereof. Any physician having at-

tended an employe may be required to testify before the commission when it shall so direct. Notwithstanding any other statutory provisions, any physician attending a workmen's compensation claimant may furnish to the employe, employer, workmen's compensation insurance carrier, or the commission information and reports relative to a compensation claim.[16] The testimony of any physician or surgeon who is licensed to practice where he resides or practices outside the state, may be received in evidence in compensation proceedings.

(2) The commission may refuse to receive testimony as to conditions determined from an autopsy if it appears (a) that the party offering the testimony had procured the autopsy and had failed to make reasonable effort to notify at least one party in adverse interest or the commission at least twelve hours before said autopsy of the time and place it would be performed, or (b) that the autopsy was performed by or at the direction of the coroner for purposes not authorized by chapter 966. The commission may in its discretion withhold findings until an autopsy is held in accordance with its directions.

102.14 Jurisdiction; advisory committee. (1) This chapter shall be administered by the commission.

(2) The commission shall appoint an advisory committee on workmen's compensation which shall consist of a member of the industrial commission or someone designated by the commission, who shall serve as chairman, with 5 representatives of employers and 5 representatives of employes. Such committee shall submit its recommendations with respect to amendments to this chapter to each regular session

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[16] Physicians, under general statutory provisions, are not allowed to disclose information which they may acquire while attending a patient in their professional character. A physician who attends a workmen's compensation claimant is privileged to furnish to the employe, employer, workmen's compensation insurance carrier, or the commission information and reports relative to a compensation claim. It is a practical necessity that physicians attending injured workmen be permitted to furnish information to the commission upon which compensation can be based. Physicians will not be required, however, to disclose confidential communications communicated to them for the purpose of treatment unless such information is necessary to a proper disposition of the claim. The commission regards the physician who treats the injured workman at the request of the employer to all intents and purposes as the physician of the injured man. His testimony before the commission should be absolutely fair, factual and unbiased.

of the legislature and shall report its views upon any pending bill relating to this chapter to the proper legislative committee. The commission shall also appoint 3 nonvoting representatives of casualty insurance companies to sit with the committee in an advisory capacity.

102.15 Rules of procedure; transcripts. (1) Subject to the provisions of this chapter, the commission may adopt its own rules of procedure and may change the same from time to time.

(2) The commission may provide by rule the conditions under which transcripts of testimony and proceedings shall be furnished.

102.16 Submission of disputes, contributions by employes. (1) Any controversy concerning compensation, including any in which the state may be a party, shall be submitted to said commission in the manner and with the effect provided in this chapter. Every compromise of any claim for compensation may be reviewed and set aside, modified or confirmed by the commission within one year from the date such compromise is filed with the commission, or from the date an award has been entered, based thereon, or the commission may take such action upon application made within such year. Unless the word "compromise" appears in a stipulation of settlement, the settlement shall not be deemed a compromise, and further claim shall not be barred except as provided in s. 102.17 (4) irrespective of whether award is made. The employer or insurer shall have equal rights with the employe to have review of a compromise. Upon petition filed by the employer or insurer with the commission within one year from any award upon a stipulation of settlement the commission shall have power to set aside said award or otherwise determine the rights of the parties.[17]

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[17] Unless a genuine compromise is made and approved by the commission, the applicant will not be foreclosed except by the six year limitation. Unless dispute arises, parties should not attempt to make "compromise" agreements but should stipulate facts without making use of the word "compromise." In case of a stipulation of settlement (not compromise) the employer's right to review is extended to one year from the date of award, leaving the employe's right for review the same as heretofore, that is, 6 years from the date of the last payent of compensation under the stipulation.

(2) The commission shall have jurisdiction to pass upon the reasonableness of medical and hospital bills in all cases of dispute where compensation is paid, in the same manner and to the same effect as it passes upon compensation.

(3) No employer subject to the provisions of this chapter shall solicit, receive or collect any money from his employes or make any deduction from their wages, either directly or indirectly, for the purpose of discharging any liability under the provisions thereof; nor shall any such employer sell to an employe, or solicit or require him to purchase medical or hospital tickets or contracts for medical, surgical, or hospital treatment required to be furnished by such employer.

(4) Any employer violating subsection (3) shall be subject to the penalties provided in subsection (3) of section 102.28, and, in addition thereto, shall be liable to an injured employe for the reasonable value of the necessary services rendered to such employe pursuant to any arrangement made in violation of subsection (3) of this section without regard to said employe's actual disbursements for the same.

102.17 Procedure; notice of hearing; witnesses, contempt; testimony, medical examination.[18] (1) (a) Upon the filing with the commission by any party in interest of any application in writing stating the general nature of any claim as to which any dispute or controversy may have arisen, it shall mail a copy of such application to all other parties in interest and the insurance carrier shall be deemed a party in interest. The commission may bring in additional parties by service of a copy of the application. The commission shall fix a time for the hearing on such application which shall not be more than 40 days after the filing of such application. The commission shall cause no-

[18] The practice before the commission follows substantially the practice in courts of equity. The purpose is to secure the facts in as direct and simple a manner as possible. Parties will aid the commission and make the administration of the act less expensive by stipulating all the facts not in dispute. In practice the commission mails copies of its awards to both parties. If a mistake is found, the commission may correct it upon having its attention called to the matter within twenty days after the date of the award. A complete statement of the rules of practice adopted by the commission in the administration of the compensation act is set forth at the back of this pamphlet.

tice of such hearing, to be given to each party interested, by service of such notice on him personally or by mailing a copy thereof to him at his last known post-office address at least 10 days before such hearing. In case a party in interest is located without the state, and has no post-office address within this state, the copy of the application and copies of all notices shall be filed in the office of the secretary of state and shall also be sent by registered mail to the last known post-office address of such party. Such filing and mailing shall constitute sufficient service, with the same force and effect as if served upon a party located within this state. Such hearing may be adjourned from time to time in the discretion of the commission, and hearings may be held at such places as the commission shall designate, within or without the state. The commission may also arrange to have hearing held by the commission, officer, or tribunal having authority to hear cases arising under the workmen's compensation law of any other state, of the District of Columbia, or of any territory of the United States, the testimony and proceedings at any such hearing to be reported to the commission and to be part of the record in the case. Any evidence so taken shall be subject to rebuttal upon final hearing before the commission.

(am) Either party shall have the right to be present at any hearing, in person or by attorney, or any other agent, and to present such testimony as may be pertinent to the controversy before the commission. No person, firm or corporation other than an attorney-at-law, duly licensed to practice law in the state, shall appear on behalf of any party in interest before the commission or any member or employe of the said commission assigned to conduct any hearing, investigation or inquiry relative to a claim for compensation or benefits under this chapter, unless he shall be a citizen of the United States, of full age, of good moral character and otherwise qualified, and shall have obtained from the commission a license authorizing him to appear in matters or proceedings before the commission. Such license shall be issued by the commission under rules to be adopted by it. In such rules the commission may prescribe such reasonable tests of character and fitness as it may deem

necessary. There shall be maintained in the office of the commission a registry or list of persons to whom licenses have been issued as provided herein, which list shall be corrected as often as licenses are issued or revoked. Any such license may be suspended or revoked by the commission for fraud or serious misconduct on the part of any such agent. Before suspending or revoking the license of any such agent, the commission shall give notice in writing to such agent of the charges of fraud or misconduct preferred against him, and shall give such agent full opportunity to be heard in relation to the same. Such license and certificate of authority shall, unless otherwise suspended or revoked, be in force from and after the date of issuance until the thirtieth day of June following such date of issuance and may be renewed by the commission from time to time, but each renewed license shall expire on the thirtieth day of June following the issuance thereof.[19]

(as) The contents of verified medical and surgical reports, by physicians and surgeons licensed in and practicing in Wisconsin, presented by claimants for compensation shall constitute prima facie evidence as to the matter contained therein, subject to such rules and such limitations as the commission prescribes.[20] So, also, shall such reports of physicians and surgeons, wherever licensed and practicing, to whom the claimant had been sent for examination or treatment by the employer or insurer, provided that such doctor consents to subject himself to cross-examination. Physicians and surgeons licensed in and practicing in Wisconsin may certify instead of verify such reports, and such certification shall be equivalent to verification; and any physician or surgeon who knowingly makes a false statement of fact or opinion in such certified report may be fined or imprisoned or both under s. 943.39. The record of a hos-

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[19] Any person other than a Wisconsin attorney who wishes to represent parties in compensation hearings is required to obtain a license under rules formulated by the Industrial Commission. Rules will be found under the Rules of Practice in this pamphlet.

[20] The purpose of this provision is to equalize to a degree the opportunity for parties to present pertinent testimony. The cost of appearance of medical witnesses is, at times, prohibitive to employes. Under this provision, the burden of producing the physicians for cross-examination desired is imposed upon the employer or insurance company.

pital or sanatorium in Wisconsin operated by any department, agency, or municipality of the federal or state government, or of any other hospital or sanatorium in Wisconsin which is satisfactory to the commission, established by certificate, affidavit, or testimony of the supervising officer or other person having charge of such records, or of a physician or surgeon, to be such record of the patient in question, and made in the regular course of examination or treatment of such patient, shall constitute prima facie evidence in any workmen's compensation proceeding as to the matter contained therein, insofar as it is otherwise competent and relevant.[21]

(b) The commission may, with or without notice to either party, cause testimony to be taken, or an inspection of the premises where the injury occurred to be had, or the time books and payrolls of the employer to be examined by any member of the commission or any examiner appointed by it, and may from time to time direct any employe claiming compensation to be examined by a regular physician; the testimony so taken, and the results of any such inspection or examination, to be reported to the commission for its consideration upon final hearing. All ex parte testimony taken by the commission shall be reduced to writing and either party shall have opportunity to rebut the same on final hearing.

(bm) Section 326.12 shall not apply to proceedings under this act, except as to a witness:

1. Who is beyond the reach of a subpoena of a commissioner or examiner; or

2. Who is about to go out of the state, not intending to return in time for the hearing; or

3. Who is so sick, infirm or aged as to make it probable that he will not be able to attend the hearing; or

4. Who is a member of the legislature, if any committee

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[21] It must be shown that the record was made in the regular course of examination or treatment of the patient. The record then constitutes prima facie evidence insofar as it may otherwise be competent and relevant.

of the same or the house of which he is a member is in session, provided he waives his privilege.[22]

(c) Whenever the testimony presented at any hearing indicates a dispute, or is such as to create doubt, as to the extent or cause of disability or death, the commission may direct that the injured employe be examined or autopsy be performed, or an opinion of a physician be obtained without examination or autopsy, by an impartial, competent physician designated by the commission who is not under contract with or regularly employed by a compensation insurance carrier or self-insured employer. The expense of such examination shall be paid by the employer. The report of such examination shall be transmitted in writing to the commission and a copy thereof shall be furnished by the commission to each party who shall have an opportunity to rebut the same on further hearing.

(2) If the commission shall have reason to believe that the payment of compensation has not been made, it may on its own motion give notice to the parties, in the manner provided for the service of an application, of a time and place when a hearing will be had for the purpose of determining the facts. Such notice shall contain a statement of the matter to be considered. Thereafter all other provisions governing proceedings on application shall attach insofar as the same may be applicable.

(3) Any person who shall wilfully and unlawfully fail or neglect to appear or to testify or to produce books, papers and records as required, shall be fined not less than twenty-five dollars nor more than one hundred dollars, or imprisoned in the county jail not longer than thirty days.

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[22]This permits examination of a witness beyond reach of the subpoena of a commissioner or examiner, or when a witness shall be about to go out of the state not intending to return in time for hearing, or when he shall be so sick or infirm or aged as to make it probable that he will not be able to attend hearing, or in case of a member of the legislature, if a committee or house of which he is a member is in session, provided the member is willing to waive his privilege. In other cases adverse examination before hearing is not permissible. This insures a minimum of delay and expense, and that as far as possible all proceedings are to be had before the Industrial Commission, which has necessary machinery and personnel to insure prompt and proper procedure with little or no expense to the parties. See Sec. 326.07.

Each day such person shall so refuse or neglect shall constitute a separate offense.[23]

(4) The right of an employe, his legal representative or dependent to proceed under this section shall not extend beyond 6 years from the date of the injury or death or from the date that compensation (other than medical treatment or burial expenses) was last paid, or would have been last payable if no advancement were made, whichever date is latest, except that in case of injury or death caused by exposure to ionized radiation the right to proceed hereunder shall be subject to no time limitations.[24]

(5) This section does not limit the time within which the state may bring an action to recover the amounts specified in subsection (5) of section 102.49 and section 102.59.

(6) If an employe or dependent shall, at the time of injury, or at the time his right accrues, be under 21 years of age, the limitations of time within which he may file application or proceed under this chapter, if they would otherwise sooner expire, shall be extended to one year after he attains the age of 21 years. If, within any part of the last year of any such period of limitation, an employe, his personal representative, or surviving dependent be insane or on active duty in the armed forces of the United States such period of limitation shall be extended to two years after the date that the limitation would otherwise expire. The provision hereof with respect to persons on active duty in the armed forces of the United States shall apply only where no applicable federal statute is in effect.

102.18 Findings and award. (1) After final hearing the commission shall make and file its findings upon all the facts involved in the controversy, and its order, which shall state its determination as to the rights of the parties. Pending the final determination of any controversy before it, the commission may after any hearing make interlocutory findings, orders and awards which may be enforced in

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[23] See also Sec. 325.12.

[24] This makes clear that even though an advancement or lump sum is granted the time for proceeding is not cut down but is limited only by a period of 6 years from the date that compensation would have been last payable if no advancement or lump payment had been made.

the same manner as final awards. The commission may include in its final award, as a penalty for noncompliance with any such interlocutory order or award, if it shall find that noncompliance was not in good faith, not exceeding twenty-five per cent of each amount which shall not have been paid as directed thereby. Where there is a finding that the employe is in fact suffering from an occupational disease caused by the employment of the employer against whom the application is filed, a final award dismissing such application upon the ground that the applicant has suffered no disability from said disease shall not bar any claim he may thereafter have for disability sustained after the date of said award.[25]

(2) The industrial commission may authorize a commissioner or examiner to make findings and orders, and to review, set aside, modify or confirm compromises of claims for compensation under rules to be adopted by the commissioner. Any party in interest who is dissatisfied with the findings or order of a commissioner or examiner may file a written petition with the industrial commission as a commission to review the findings or order.

(3) If no petition is filed within twenty days from the date that a copy of the findings or order of the commissioner or examiner was mailed to the last known address of the parties in interest, such findings or order shall be considered the findings or order of the industrial commission as a body, unless set aside, reversed or modified by such commissioner or examiner within such time. If the findings or order are set aside by the commissioner or examiner the status shall be the same as prior to the findings or order set aside. If the findings or order are reversed or modified by the commissioner or examiner the time for filing petition with the commission shall run from the date that notice of such reversal or modification is mailed to the last known address of the parties in interest. Within ten days after the filing of such petition with the commission the commission shall

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[25] This provision prevents the final closing of a claim for occupational disease in those cases in which no showing of disability can be made to the time of the commission's order but in which disability may develop at a date following such order. Secs. 102.12 and 102.17 still apply however.

either affirm, reverse, set aside or modify such findings or order in whole or in part, or direct the taking of additional testimony. Such action shall be based on a review of the evidence submitted. If the commission is satisfied that a party in interest has been prejudiced because of exceptional delay in the receipt of a copy of any findings or order it may extend the time another twenty days for filing petition with the commission.[26]

(4) The commission shall have power to remove or transfer the proceedings pending before a commissioner or examiner. It may also on its own motion, set aside, modify or change any order, findings or award (whether made by an individual commissioner, an examiner or by the commission as a body) at any time within twenty days from the date thereof if it shall discover any mistake therein, or upon the grounds of newly discovered evidence. Unless the liability under sections 102.49, 102.57, 102.58, 102.59, 102.60 and 102.61 is specifically mentioned, the order, findings or award shall be deemed not to affect such liability.

(5) If it shall appear to the commission that a mistake may have been made as to cause of injury in the findings, order, or award upon an alleged injury based on accident, when in fact the employe was suffering from an occupational disease, the commission may upon its own motion, with or without hearing, within three years from the date of such findings, order, or award, set aside such findings, order, or award, or the commission may take such action upon application made within such three years. Thereafter, and after opportunity for hearing, the commission may, if in fact the employe is suffering from disease arising out of the employment, make new findings and award, or it may reinstate the previous findings, order or award.[27]

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[26] In order that undue delay in decision may not result, simple and summary procedure under this provision becomes essential. This is especially true because the law provides, in case of decision by an individual examiner or commissioner, for three appeals, one to the full commission, one to the Circuit Court of Dane County, and one to the Supreme Court. See Ind 80.19.

[27] If the commission finds that a mistake has been made as to the cause of injury, mistakenly determined to be on the basis of accident when in fact an employe was suffering from an occupational disease, the commission may with or without hearing within three years from the date of the erroneous findings set aside the order. Likewise the commission may take such action upon application made within such three years.

(6) In case of disease arising out of the employment, the commission may from time to time review its findings, order, or award, and make new findings, order, or award, based on the facts regarding disability or otherwise as they may then appear. This subsection shall not affect the application of the limitation in 102.17 (4).[28]

102.19 Alien dependents; payments through consular officers. In case a deceased employe, for whose injury or death compensation is payable, leaves surviving him alien dependents residing outside of the United States, the duly accredited consular officer of the country of which such dependents are citizens or his designated representative residing within the state shall, except as otherwise determined by the commission, be the sole representative of such deceased employe and of such dependents in all matters pertaining to their claims for compensation. The receipt by such officer or agent of compensation funds and the distribution thereof shall be made only upon order of the commission, and payment to such officer or agent pursuant to any such order shall be a full discharge of the benefits or compensation. Such consular officer or his representative shall furnish, if required by the commission, a bond to be approved by it, conditioned upon the proper application of all moneys received by him. Before such bond is discharged, such consular officer or representative shall file with the commission a verified account of the items of his receipts and disbursements of such compensation. Such consular officer or representative shall make interim reports to the commission as it may require.

102.195 In case an employe is adjudged insane or incompetent, or convicted of a felony, and is confined in a public institution and has wholly dependent upon him for support a person, whose dependency is determined as if the employe were deceased, compensation payable during the period of his confinement may be paid to the employe and his de-

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[28] Disability and required treatment from disease are often so unpredictable that an automatic reservation to review these cases seems desirable to prevent injustice. In all cases the six year statute of limitation forecloses further action. Within the six year period, however, the time is extended as provided.

pendents, in such manner, for such time and in such amount as the commission by order provides.

102.20 Judgment on award. Either party may present a certified copy of the award to the circuit court for any county, whereupon said court shall, without notice, render judgment in accordance therewith; such judgment shall have the same effect as though rendered in an action tried and determined by said court, and shall, with like effect, be entered and docketed.

102.21 Payment of awards by municipalities. Whenever an award is made by the commission under this chapter or s. 66.191 against any municipality, the person in whose favor it is made shall file a certified copy thereof with the municipal clerk. Within twenty days thereafter, unless an appeal is taken, such clerk shall draw an order on the municipal treasurer for the payment of the award. If upon appeal such award is affirmed in whole or in part the order for payment shall be drawn within ten days after a certified copy of such judgment is filed with the proper clerk. If more than one payment is provided for in the award or judgment, orders shall be drawn as the payments become due. No statute relating to the filing of claims against, and the auditing, allowing and payment of claims by municipalities shall apply to the payment of an award or judgment under this section.

102.22 Penalty for delayed payments. If the sum ordered by the commission to be paid shall not be paid when due, such sum shall bear interest at the rate of 6 per cent per annum. The state of Wisconsin shall be liable for such interest on awards issued against it under this chapter. The commission shall have jurisdiction to issue award for payment of such interest at any time within one year of the date of its order or upon appeal within one year after final court determination. Where the employer or his insurer is guilty of inexcusable delay in making payments, the payments as to which such delay is found shall be increased by 10 per cent. Where such delay is chargeable to the employer

and not to the insurer s. 102.62 shall be applicable and the relative liability of the parties shall be fixed and discharged as therein provided.[29]

102.23 Judicial review.[30] (1) The findings of fact made by the commission acting within its powers shall, in the absence of fraud, be conclusive; and the order or award, either interlocutory or final, whether judgment has been rendered thereon or not, shall be subject to review only in the manner and upon the grounds following: Within thirty days from the date of an order or award originally made by the commission as a body or following the filing of petition for review with the commission under section 102.18[31] any party aggrieved thereby may commence, in the Circuit Court for Dane County, an action against the commission for the review of such order or award, in which action the adverse party shall also be made defendant. In such action a complaint, which need not be verified, but which shall state the grounds upon which a review is sought, shall be served with the summons. Service upon the secre-

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[29] Withholding amounts unquestionably due because the injured man refuses to execute a release of his right to claim further benefits or for other reason will be regarded as inexcusable delay in the making of compensation payments.

[30] Comment by Legislative Committee of 1911: The finding of the board, in the absence of fraud, is made absolutely conclusive by this section. The award is reviewable only on three grounds: (1) That the board acted without or in excess of its power; (2) that the award was procured by fraud; (3) that the findings of fact by the board do not support the award. This review does not allow any retrial of the case as presented to the board. The facts found by the board are conclusive, and the review that is allowed in those cases where the findings of fact do not support the award, would occur only where the board had not given proper consideration to the act itself. In other words, the court will review only questions of law included in grounds 1 and 3 upon which an award may be reviewed. The fraud alluded to in the second ground will be only such as was perpetrated in procuring the award, and will not include false testimony of any party, because all such questions will be decided conclusively by the board. *Buehler Bros. v. Ind. Comm.*, 220 Wis. 371. The object of having the action to review brought against the board is twofold: (1) If any error is made it will be an error made by the board. Consequently, the board should defend its own action, and this will be done at the expense of the state; (2) To relieve the party in whose favor the award was made of the expense of litigation in the circuit and supreme courts. The commission defends its own orders.

[31] A party must petition the commission as a body for review of findings and order of an examiner before appealing to the Circuit Court of Dane County. Appeal to the court is always from an order of the commission as a body.

tary of the commission, or any member of the commission, shall be deemed completed service on all parties, but there shall be left with the person so served as many copies of the summons and complaint as there are defendants, and the commission shall mail one such copy to each other defendant. If the circuit court is satisfied that a party in interest has been prejudiced because of exceptional delay in the receipt of a copy of any findings or order it may extend the time another thirty days in which such action may be commenced. The commission shall serve its answer within twenty days after the service of the complaint, and, within the like time, such adverse party shall, if he so desires, serve his answer to said complaint, which answer may, by way of counterclaim or cross complaint, ask for the review of the order or award referred to in the complaint, with the same effect as if such party had commenced a separate action for the review thereof. With its answer, the commission shall make return to said court of all documents and papers on file in the matter, and of all testimony which may have been taken therein, and of its order, findings and award. Such return of the commission when filed in the office of the clerk of the circuit court shall, with the papers mentioned in section 270.72, constitute a judgment roll in such action; and it shall not be necessary to settle a bill of exceptions in order to make such return part of the record of such court in such action. Said action may thereupon be brought on for hearing before said court upon such record by either party on ten days' notice to the other; subject, however, to the provisions of law for a change of the place of trial or the calling in of another judge. Upon such hearing, the court may confirm or set aside such order or award; and any judgment which may theretofore have been rendered thereon; but the same shall be set aside only upon the following grounds:

(a) That the commission acted without or in excess of its powers.

(b) That the order or award was procured by fraud.

(c) That the findings of fact by the commission do not support the order or award.

(2) Upon the trial of any such action the court shall disregard any irregularity or error of the commission unless it be made to affirmatively appear that the plaintiff was damaged thereby.

(3) The record in any case shall be transmitted to the commission within 5 days after expiration of the time for appeal from the order or judgment of the court, unless appeal shall be taken from such order or judgment.

(4) Whenever an award is made against the state the attorney general may bring an action for review thereof in the same manner and upon the same grounds as are provided by subsection (1) hereof.

(5) The commencement of action for review shall not relieve the employer from paying compensation as directed, when such action involves only the question of liability as between the employer and one or more insurance companies or as between several insurance companies.

102.24 Remanding record. (1) Upon the setting aside of any order or award the court may recommit the controversy and remand the record in the case to the commission, for further hearing or proceedings; or it may enter the proper judgment upon the findings, as the nature of the case shall demand. An abstract of the judgment entered by the trial court upon the review of any order or award shall be made by the clerk thereof upon the docket entry of any judgment which may theretofore have been rendered upon such order or award and transcripts of such abstract may thereupon be obtained for like entry upon the dockets of the courts of other counties.

(2) After the commencement of an action to review any award of the commission the parties may have the record remanded by the court for such time and under such condition as they may provide, for the purpose of having the commission act upon the question of approving or disapproving any settlement or compromise that the parties may desire to have so approved. If approved the action shall be at an end and judgment may be entered upon the approval as upon an award. If not approved the record shall forthwith be returned to the circuit court and the action shall proceed as if no remand had been made.

102.25 Appeal from judgment on award. (1) Said commission, or any party aggrieved by a judgment entered upon the review of any order or award, may appeal therefrom within thirty days from the date of service by either party upon the other of notice of entry of judgment. However it shall not be necessary for said commission or any party to said action to execute, serve or file the undertaking required by section 274.11 (3) in order to perfect such appeal; but all such appeals shall be placed on the calendar of the supreme court and brought to a hearing in the same manner as state causes on such calendar. The state shall be deemed a party aggrieved, within the meaning of this subsection, whenever a judgment is entered upon such a review confirming any order or award against it. At any time before the case is set down for hearing in the supreme court, the parties may have the record remanded by the court to the industrial commission in the same manner and for the same purposes as provided for remanding from the circuit court to the industrial commission under section 102.24 (2).

(2) It shall be the duty of the clerk of any court rendering a decision affecting an award of the commission to promptly furnish the commission with a copy of such decision without charge.

102.26 Fees and costs. (1) No fees shall be charged by the clerk of any court for the performance of any service required by this chapter, except for the docketing of judgments and for certified transcripts thereof. In proceedings to review an order or award, costs as between the parties shall be in the discretion of the court, but no costs shall be taxed against the commission.

(2) Unless previously authorized by the commission, no fee shall be charged or received for the enforcement or collection of any claim for compensation, nor shall any contract therefor be enforcible, where such fee, inclusive of all taxable attorney's fees paid or agreed to be paid for such enforcement or collection, exceed 20 per cent of the amount at which such claim shall be compromised or of the amount awarded, adjudged or collected, except that in cases

of admitted liability where there is no dispute as to amount of compensation due and in which no hearing or appeal is necessary, the fee charged shall not exceed 10 per cent but not to exceed $100, of the amount at which such claim shall be compromised or of the amount awarded, adjudged or collected. The limitation as to fees shall apply to the combined charges of attorneys, solicitors, representatives and adjusters who knowingly combine their efforts toward the enforcement or collection of any compensation claim.

(2m) In any action for the recovery of costs of hospitalization in a tuberculosis sanatorium, where such cost was incurred by a patient whose tuberculosis entitled him to workmen's compensation, no attorney fee for the recovery of such cost shall be allowed to the attorney for such patient in such workmen's compensation action, unless, by express agreement with the governing board of such institution he has been retained by such governing board to also act as its attorney.

(3) Compensation in favor of any claimant, which exceeds $100, shall be made payable to such claimant in person; however, in any award the commission shall upon application of any interested party and subject to the provisions of sub. (2) fix the fee of his attorney or representative and provide in the award for payment of such fee direct to the person entitled thereto. At the request of the claimant medical expense, witness fees and other charges associated with the claim may be ordered paid out of the amount awarded. Payment according to the directions of the award shall protect the employer and his insurer from any claim of attorney's lien.

(4) The charging or receiving of any fee in violation of this section shall be unlawful, and the attorney or other person guilty thereof shall forfeit double the amount retained by him, the same to be collected by the state in an action in debt, upon complaint of the commission. Out of the sum recovered the court shall direct payment to the injured party of the amount of the overcharge.

102.27 Claims unassignable and exempt. No claim for compensation shall be assignable, but this provision shall

not affect the survival thereof; nor shall any claim for compensation, or compensation awarded, or paid, be taken for the debts of the party entitled thereto.

102.28 Preference of claim; workmen's compensation insurance. (1) The whole claim for compensation for the injury or death of any employe or any award or judgment thereon, and any claim for unpaid compensation insurance premiums shall be entitled to the same preference in bankruptcy or insolvency proceedings as is given by any law of this state or by the federal bankruptcy act to claims for labor, but this section shall not impair the lien of any judgment entered upon any award.

(2) An employer liable under this act to pay compensation shall insure payment of such compensation in some company authorized to insure such liability in this state unless such employer shall be exempted from such insurance by the industrial commission. An employer desiring to be exempt from insuring his liability for compensation shall make application to the industrial commission showing his financial ability to pay such compensation, and agreeing as a condition for the granting of the exemption to faithfully report all injuries under compensation according to law and the requirements of the commission and to comply with this act, and the rules of the commission pertaining to the administration thereof, whereupon the commission by written order may make such exemption. The commission may from time to time require further statement of financial ability of such employer to pay compensation and may upon ten days' notice in writing, for financial reasons or for failure of the employer to faithfully discharge his obligations according to the agreements contained in his application for exemption, revoke its order granting such exemption, in which case such employer shall immediately insure his liability. As a condition for the granting of an exemption the commission shall have authority to require the employer to furnish such security as it may consider sufficient to insure payment of all claims under compensation. Where the security is in the form of a bond or other personal guaranty, the commission may at any time either before or after the entry of an award, upon

at least ten days' notice and opportunity to be heard require the sureties to pay the amount of the award, the same to be enforced in like manner as the award itself may be enforced. Where an employer procures an exemption as herein provided and thereafter enters into any form of agreement for insurance coverage with an insurance company or inter-insurer not licensed to operate in this state, his conduct shall automatically operate as a revocation of such exemption. An order exempting an employer from insuring his liability for compensation shall be null and void if the application contains a financial statement which is false in any material respect.[32]

(3) An employer who shall fail to comply with the provisions of subsection (2) of section 102.28 shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than ten dollars nor more than one hundred dollars or by imprisonment in the county jail for not less than thirty days nor more than six months, or by both such fine and imprisonment. Each day's failure shall be a separate offense. Upon complaint of the commission, the fines specified in this section may be collected by the state in an action in debt.

(4) If it appears by the complaint or by the affidavit of any person in behalf of the state that the employer's liability continues uninsured there shall forthwith be served on the employer an order to show cause why he should not be restrained from employing any person in his business pending the proceedings or until he shall have satisfied the court in which the matter is pending that he has complied with the provisions of subsection (2) of this section. Such order to show cause shall be returnable before the court or the judge thereof at a time to be fixed in the order not less than twenty-four hours nor more than three days after its issuance. Insofar as the same may be applicable and not herein otherwise provided, the provisions of chapter 268 relative to injunctions shall govern these proceedings. If

[32] An employer who has fraudulently obtained exemption from insuring his liability under the workmen's compensation act is in the same position as an employer who fails to carry workmen's compensation insurance without securing exemption. The effect is to take away all the exemptions of such an employer in case of an injury to an employe and to render him liable to the penalties provided for failure to insure.

the employer denies under oath that he is subject to this act, and furnishes bond with such sureties as the court may require to protect all his employes injured after the commencement of the action for such compensation claims as they may establish, then an injunction shall not issue. Every judgment or forfeiture against an employer, under subsection (3) of this section, shall perpetually enjoin him from employing any person in his business at any time when he is not complying with subsection (2) of this section.

(5) If compensation is awarded under this act, against any employer who at the time of the accident has not complied with the provisions of subsection (2) of this section, such employer shall not be entitled as to such award or any judgment entered thereon, to any of the exemptions of property from seizure and sale on execution allowed in sections 272.18 to 272.22. If such employer is a corporation, the officers and directors thereof shall be individually and jointly and severally liable for any portion of any such judgment as is returned unsatisfied after execution against the corporation.

(6) Every employer shall upon request of the industrial commission report to it the number of his employes and the nature of their work and also the name of the insurance company with whom he has insured his liability under the workmen's compensation act and the number and date of expiration of such policy. Failure to furnish such report within ten days from the making of a request by registered mail shall constitute presumptive evidence that the delinquent employer is violating the provisions of subsection (2) of this section.

102.29 Third party liability. (1) The making of a claim for compensation against an employer or compensation insurer for the injury or death of an employe shall not affect the right of the employe, his personal representative, or other person entitled to bring action, to make claim or maintain an action in tort against any other party for such injury or death, hereinafter referred to as a third party; nor shall the making of a claim by any such person against

a third party for damages by reason of an injury to which sections 102.03 to 102.64 are applicable, or the adjustment of any such claim, affect the right of the injured employe or his dependents to recover compensation.[33] The employer or compensation insurer who shall have paid or is obligated to pay a lawful claim under this chapter shall likewise have the right to make claim or maintain an action in tort against any other party for such injury or death. However, each shall give to the other reasonable notice and opportunity to join in the making of such claim or the instituting of an action and to be represented by counsel. If a party entitled to notice cannot be found, the industrial commission of Wisconsin shall become the agent of such party for the giving of a notice as required herein and the notice, when given to the industrial commission, shall include an affidavit setting forth the facts, including the steps taken to locate such party. Each shall have an equal voice in the prosecution of said claim, and any disputes arising shall be passed upon by the court before whom the case is pending, and if no action is pending, then by a court of record or the industrial commission. If notice is given as herein provided, the liability of the tort feasor shall be determined as to all parties having a right to make claim, and irrespective of whether or not all parties join in prosecuting said claim, the proceeds of such claim shall be divided as follows: after deducting the reasonable cost of collection, one-third of the remainder shall in any event be paid to the injured employe or his personal representative or other person entitled to bring action. Out of the balance remaining, the employer or insurance carrier shall be reimbursed for all payments made by it, or which it may be obligated to make in the future, under the workmen's compensation act, except that it shall not be reimbursed for any payments of increased compensation made or to be made under the provisions of sections 102.22, 102.57, or 102.60.[34] Any bal-

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[33] Acceptance of compensation does not operate as an assignment of claim against a third party, nor does settlement with a third party operate as a waiver of claim for compensation.

[34] This provides that the employer or workmen's compensation insurance carrier shall not be reimbursed out of third party settlements for payments of increased compensation made or to be made under the provisions of 102.22, 102.57, 102.60. These respectively are penalty for delayed payments

ance remaining shall be paid to the employe or his personal representative or other person entitled to bring action. If both the employe or his personal representative or other person entitled to bring action, and the employer or compensation insurer, join in the pressing of said claim and are represented by counsel, the attorneys' fees allowed as a part of the costs of collection shall be, unless otherwise agreed upon, divided between such attorneys as directed by the court or by the industrial commission. A settlement of any third party claim shall be void unless said settlement and the distribution of the proceeds thereof is approved by the court before whom the action is pending and if no action is pending, then by a court of record or the industrial commission.

(2) In the case of liability of the employer or insurer to make payment into the state treasury under s. 102.49 or 102.59, if the injury or death was due to the actionable act, neglect or default of a third party, the employer or insurer shall have a right of action against such third party to recover the sum so paid into the state treasury, which right may be enforced by joining in the action mentioned in sub. (1), or by independent action. Contributory negligence of the employe because of whose injury or death such payment was made shall bar recovery if such negligence was as great as the negligence of the person against whom recovery is sought, and the recovery allowed the employer or insurer shall be diminished in proportion to the amount of negligence attributable to such injured or deceased employe. Any action brought under this subsection may, upon order of the court, be consolidated and tried together with any action brought under sub. (1).

(3) Nothing in this act shall prevent an employe from taking the compensation he may be entitled to under it and also maintaining a civil action against any physician or surgeon for malpractice. The employer or compensation in-

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(either 6 per cent after an order of the commission or 10 per cent for inexcusable delay); 15 per cent increased compensation payable by the employer because of violation of a safety order and double or treble compensation paid because of employment of a minor without required permit or at prohibited employment.

surer shall have no interest in or right to share in the proceeds of any civil action against any physician or surgeon for malpractice.

(4) If the insurance carrier of the employer and of the third party shall be the same, or if there is common control of the insurer of each, the insurance carrier of the employer shall promptly notify the parties in interest and the industrial commission of that fact; likewise, if the employer has assumed the liability of the third party he shall give similar notice; and, in default of such notice, any settlement with an injured employe or beneficiary shall be void. Nothing contained in this subsection shall prevent the employer or compensation insurer from sharing in the proceeds of any third party claim or action, as set forth in subsection (1).

(5) If the insurance carrier of the employer and of the third party are the same or if there is common control of the insurer of each, and the insurer fails to commence a third party action within the 3 years allowed by s. 330.205, the 3-year statute of limitations in s. 330.205 shall not be pleaded as a bar in any action commenced by the injured employe herein against any such third party subsequent to 3 years from the date of injury, but prior to 6 years from such date of injury, provided that any recovery in such action shall be limited to the insured liability of the third party. In any such action commenced by the injured employe subsequent to the 3-year period, the insurance carrier of the employer shall forfeit all right to participate in such action as a complainant and to recover any payments made under the workmen's compensation act. This subsection shall not apply if the insurance carrier has complied with sub. (4).[35]

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[35] The purpose of the provision is to give incentive to the common insurance carrier of the employer and third party to act in the interests of the employe in proceeding against the third party. There is not the same keen interest for the insurer to proceed where it is a common carrier as there is in the case where different carriers are involved. The penalty for failure to take prompt action is against the carrier which fails to initiate necessary steps to bring third party action. The carrier has already lost its right to proceed except as notice of injury has been served or action commenced within the 3 year period. It, therefore, loses nothing under the provision but also fails to gain that which is gained by the employe who, under this provision, will be permitted to commence his action after the 3 year period.

102.30 Other insurance not affected; liability of insured employer. (1) This act shall not affect the organization of any mutual or other insurance company, nor the right of the employer to insure in mutual or other companies, against such liability, or against the liability for the compensation provided for by this act, or to provide by mutual or other insurance, or by arrangement with his employes, or otherwise, for the payment to such employes, their families, dependents or representatives, of sick, accident or death benefits in addition to the compensation provided herein. But liability for compensation shall not be reduced or affected by any insurance, contribution or other benefit whatsoever, due to or received by the person entitled to such compensation, and the person so entitled shall, irrespective of any insurance or other contract,[36] have the right to recover the same directly from the employer; and in addition thereto, the right to enforce in his own name, in the manner provided in this act, the liability of any insurance company which may have insured the liability for such compensation, and the appearance, whether general or special, of any such insurance carrier by agent or attorney shall be a waiver of the service of copy of application and of notice of hearing required by section 102.17; provided, however, that payment of such compensation by either the employer or the insurance company, shall, to the extent thereof, be a bar to recovery against the other of the amount so paid, and provided, further, that as between the employer and the insurance company, payment by either directly to the employe, or to the person entitled to compensation, shall be subject to the conditions of the policy.

(2) The failure of the assured to do or refrain from doing any act required by the policy shall not be available to the insurance carrier as a defense against the claim of the injured employe or his dependents.

(3) The commission may order direct reimbursement out of the proceeds payable under this chapter for payments made under a nonindustrial insurance policy covering the same disability and medical expense when the claimant con-

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[36] Liability for compensation is not reduced because the employe carries insurance, and no part of the wages of the employe may be taken to pay insurance premiums against liability under this act.

sents, or when it is established that such payments under the nonindustrial insurance policy were improper.

102.31 Workmen's compensation insurance; policy regulations. (1) (a) Every contract for the insurance of the compensation herein provided for, or against liability therefor, shall be deemed to be made subject to the provisions of this act, and provisions thereof inconsistent with the act shall be void. Such contract shall be construed to grant full coverage of all liability of the assured under and according to the provisions of the act, notwithstanding any agreement of the parties to the contrary unless the commission has theretofore by written order specifically consented to the issuance of a policy on a part of such liability, except that an intermediate agency or publisher referred to in section 102.07 (6) may, under its own policy, cover liability of employes as defined in said section 102.07 (6) for an intermediate or independent news agency, provided the policy of insurance of such publisher or intermediate agency is indorsed to cover such persons. If the publisher so covers it shall not be necessary for the intermediate or independent news agency to cover liability for such persons.[37] No policy shall be canceled by either party within the policy period nor terminated upon expiration date until a notice in writing shall be given to the other party, fixing the date on which it is proposed to cancel it, or declaring that the party does not intend to renew the policy upon expiration date. Such cancellation or termination shall not become effective until 30 days after written notice has been given to the commission unless prior thereto the employer obtains other insurance coverage or an order exempting him from carrying insurance as provided in section 102.28 (2).[38] Such

[37] The law establishes no direct liability against the publisher for the employes of the intermediate or independent agency except as the agency may be a contractor under the publisher, in which case liability would exist under Sec. 102.06. The publisher is permitted to assume, under his insurance policy, the liability which exists directly against the intermediate or independent news agency, and to relieve those agencies from covering liability of newsboys.

[38] This makes it impossible for the employer or insurance company to cancel a policy of insurance unless thirty days' notice is given to the other party and to the commission. A second provision makes it certain that issuance of a new policy will automatically revoke and terminate any former policy issued by the same company.

notice to the commission shall be served personally or by registered mail on the commission at its office in Madison. Issuance of a new policy shall automatically revoke and terminate any former policy or policies issued by the same company.

(b) If the insured is a partnership, such contract of insurance shall not be construed to grant coverage of the individual liability of the members of such partnership in the course of a trade, business, profession or occupation conducted by them as individuals, nor shall a contract of insurance procured to cover individual liability be construed to grant coverage of a partnership of which the individual is a member, nor to grant coverage of the liability of the individual arising as a member of any partnership.[39]

(2) Each employe shall constitute a separate risk. Five employers or more may join in the organization of a mutual company under subsection (16) of section 201.04 and no such company organized by employers shall be authorized to effect such insurance unless it shall have in force or put in force simultaneously insurance on at least one thousand five hundred separate risks.

(3) The commission may examine from time to time the books and records of any insurance company insuring liability or compensation for an employer in this state. Any such company that shall refuse or fail to allow the commission to examine its books and records shall have its license revoked.

(5) Two or more companies, licensed to carry on the business of workmen's compensation insurance in this state, may with the approval of the commissioner of insurance, form a corporation for the purpose of insuring special risks under the workmen's compensation act. The articles of incorporation shall contain a declaration that the various company members shall contribute such amounts as may be necessary to meet any deficit of such corporation, such declaration to be in lieu of all capital, surplus and other re-

[39] This language operates to treat a partnership for insurance purposes as an entity. If A, an individual, has insurance and joins a partnership, his individual insurance will not cover the partnership. Conversely, when A leaves the partnership, the partnership insurance will not cover A as an individual.

quirements for the organization of companies and the transaction of the business of workmen's compensation insurance in this state. Such corporation shall be owned, operated and controlled by its company members as may be provided in the articles of incorporation.

(6) If any corporation licensed to transact the business of workmen's compensation insurance shall fail promptly to pay claims for compensation for which it shall become liable or if it shall fail to make reports to the industrial commission as provided in section 102.38, the industrial commission may recommend to the commissioner of insurance that the license of such company be revoked, setting forth in detail the reasons for its recommendation. The commissioner shall thereupon furnish copy of such report to the corporation and shall set a date for a hearing, at which both the corporation and the industrial commission shall be afforded an opportunity to present evidence. If after such hearing the commissioner is satisfied that the corporation has failed to live up to all of its obligations under this chapter, he shall promptly revoke its license; otherwise he shall dismiss the complaint.

(7) If any corporation licensed to transact the business of workmen's compensation insurance shall encourage, persuade or attempt to influence any employer, arbitrarily or unreasonably to refuse employment to or to discharge employes, the commissioner of insurance may, upon complaint of the industrial commission, under procedure set out in subsection (6) of section 102.31, revoke the license of such corporation.[40]

(8) If any employer who has by the industrial commission been granted exemption from the carrying of compensation insurance shall arbitrarily or unreasonably refuse employment to or shall discharge employes because of a nondisabling physical condition, the industrial commission shall revoke the exemption of such employer.[41]

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[40] The intent is to discourage insurance companies from attempting to influence employers, arbitrarily or unreasonably to refuse employment to, or discharge employes. The penalty for such activity may be revocation of the license of the insurance company by the commissioner of insurance upon complaint by the industrial commission.

[41] The intent is to dissuade action on the part of self-insurers as to hiring only workmen who are above the average in physical fitness, and in refusing to hire employes with slight physical defects.

102.32 Continuing liability; guarantee settlement, gross payment. In any case in which compensation payments have extended or will extend over six months or more from the date of the injury (or at any time in death benefit cases), any party in interest may, in the discretion of the commission, be discharged from, or compelled to guarantee, future compensation payments as follows:

(1) By depositing the present value of the total unpaid compensation upon a three per cent interest discount basis with such bank or trust company as may be designated by the commission; or

(2) By purchasing an annuity within the limitations provided by law, in such insurance company granting annuities and licensed in this state, as may be designated by the commission; or

(3) By payment in gross upon a three per cent interest discount basis to be approved by the commission; and

(4) In cases where the time for making payments or the amounts thereof cannot be definitely determined, by furnishing a bond, or other security, satisfactory to the commission for the payment of such compensation as may be due or become due. The acceptance of such bond, or other security, and the form and sufficiency thereof, shall be subject to the approval of the commission. If the employer or insurer is unable or fails to immediately procure such bond, then, in lieu thereof, deposit shall be made with such bank or trust company, as may be designated by the commission, of the maximum amount that may reasonably become payable in such cases, to be determined by the commission at amounts consistent with the extent of the injuries and the provisions of the law. Such bonds and deposits are to be reduced only to satisfy such claims and withdrawn only after the claims which they are to guarantee are fully satisfied or liquidated under the provisions of subsection (1), (2) or (3); and

(5) Any insured employer may, within the discretion of the commission, compel the insurer to discharge, or to guarantee payment of its liabilities in any such case under the provisions of this section and thereby release himself from

compensation liability therein, but if for any reason a bond furnished or deposit made under subsection (4) does not fully protect, the compensation insurer or uninsured employer, as the case may be, shall still be liable to the beneficiary thereof.

(6) Any time after six months from the date of the injury, the commission may order payment in gross or in such manner as it may determine to the best interest of the injured employe or his dependents. When payment in gross is ordered, the commission shall fix the gross amount to be paid based on the present worth of partial payments, considering interest at three per cent per annum.

(7) No lump sum settlement shall be allowed in any case of permanent total disability upon an estimated life expectancy, except upon consent of all parties, after hearing and finding by the commission that the interests of the injured employe will be conserved thereby.

102.33 Blanks and records. The commission shall print and furnish free to any employer or employe such blank forms as it shall deem requisite to facilitate efficient administration of this act; it shall keep such record books or records as it shall deem required for the proper and efficient administration of this act.

102.34 Nonelection, notice by employer. Knowledge of the fact that an employer is subject to this act shall conclusively be imputed to all employes. Every employer who would be subject to this act but for the fact that he has elected not to accept its provisions thereof, shall post and maintain printed notices of such nonelection on his premises, of such design, in such numbers, and at such places as the commission shall, by order, determine to be necessary to give information to his employes.

102.35 Penalties. (1) Every employer and every insurance company that fails to keep the records or to make the reports required by chapter 102 or that knowingly falsifies such records or makes false reports shall forfeit to the state not less than ten dollars nor more than one hundred dollars for each offense.

(2) Any employer, or duly authorized agent thereof, who, without reasonable cause, refuses to rehire an employe injured in the course of employment, or who, because of a claim or attempt to claim compensation benefits from such employer, shall discriminate or threaten to discriminate against an employe as to his employment, shall forfeit to the state not less than $50 nor more than $500 for each offense. No action under this subsection shall be commenced except upon request of the industrial commission.

102.37 Employers' records. Every employer of three or more persons and every employer who is subject to the workmen's compensation act shall keep a record of all accidents causing death or disability of any employe while performing services growing out of and incidental to the employment, which record shall give the name, address, age and wages of the deceased or injured employe, the time and causes of the accident, the nature and extent of the injury, and such other information as the industrial commission may require by general order. Reports based upon this record shall be furnished to the industrial commission at such times and in such manner as it may require by general order, upon forms to be procured from the commission.

102.38 Records of payments; reports thereon. Every insurance company which transacts the business of compensation insurance, and every employer who is subject to the workmen's compensation act, but who has not insured his liability, shall keep a record of all payments made under the provisions of chapter 102 of the statutes and of the time and manner of making such payments, and shall furnish such reports based upon these records to the industrial commission as it may require by general order, upon forms to be procured from the commission.

102.39 General orders; application of statutes. The provisions of chapter 101, relating to the adoption, publication, modification and court review of general orders of the commission shall apply to all general orders adopted pursuant to this chapter.

102.40 Reports not evidence in actions. Reports furnished to the commission pursuant to sections 102.37 and 102.38 shall not be admissible as evidence in any action or proceeding arising out of the death or accident reported.

102.42 Incidental compensation. (1) The employer shall supply such medical, surgical and hospital treatment, medicines, medical and surgical supplies, crutches, artificial members, appliances, and training in the use of artificial members and appliances, or, at the option of the employe, if the employer has not filed notice as hereinafter provided, Christian Science treatment in lieu of medical treatment, medicines and medical supplies, as may be reasonably required to cure and relieve from the effects of the injury, and to attain efficient use of artificial members and appliances,[42] and in case of his neglect or refusal seasonably to do so, or in emergency until it is practicable for the employe to give notice of injury, the employer shall be liable for the reasonable expense incurred by or on behalf of the employe in providing the same. The employer shall also be liable for reasonable expense incurred by the employe for necessary treatment to cure and relieve him from the effects of occupational disease prior to the time that the employe knew or should have known the nature of his disability and its relation to employment, and as to such treatment the provisions of section 102.42 (2) and (3) shall not apply.[43]

(2) The employe shall have the right to make choice of his attending physician from a panel of physicians to be

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[42] Experience gained in cases of amputation following injury in the last war pointed out the necessity for training in the use of artificial limbs. Most meritorious and effective training and technique were evolved. The cost of training is a substantial item. The amendment provides for payment of such cost as part of compensation benefits with limitation only of reasonableness as to time and amount.

[43] Medical treatment when necessary is to be provided regardless of whether or not indemnity is payable or whether indemnity disability has ceased. There is provision for payment of expense for treatment procured by an employe who does not learn until later of the nature of his disability, or its relation to employment. Formerly, no liability would have existed unless and until notice of injury had been given. In such cases as tuberculosis following silicosis, this worked hardship on an employe who, although reasonably diligent, could not give notice of necessity for treatment because he had not yet learned the nature of his disability and its relation to employment.

named by the employer. Where the employer has knowledge of the injury and the necessity for treatment, his failure to tender the same shall constitute such neglect or refusal. Failure of the employer to maintain a reasonable number of competent and impartial physicians, ready to undertake the treatment of the employe, and to permit the employe to make choice of his attendant from among them, shall constitute neglect and refusal to furnish such attendance and treatment. Nothing contained in this section shall limit the right of the employe to make a second choice of physician from the panel of physicians named by the employer. The commission may upon summary hearing permit an injured employe to make selection of a physician not on the panel.[44]

(3) MEDICAL PANEL. In determining the reasonableness of the size of the medical panel, the commission shall take into account the number of competent physicians immediately available to the community in which the medical service is required, and where only one such physician is available, the tender of attention by such physician shall be construed as a compliance with this section unless specialized or extraordinary treatment is necessary. In such panel, partners and clinics shall be deemed as one physician. Every employer shall post the names and addresses of the physicians on his panel in such manner as to afford his employes reasonable notice thereof.[45]

(4) PREJUDICED PHYSICIAN. Whenever in the opinion of the commission a panel physician has not impartially estimated the degree of permanent disability or the extent of temporary disability of any injured employe, the commis-

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[44] This insures that the employe who may be dissatisfied with the service of the first physician chosen may select another physician. It is generally considered that if an employe does not have confidence in his attending physician recovery may be delayed, and that no employe should have to be treated by a physician whom he distrusts or dislikes whether or not for good reason. The law provides for further change of physician upon request of the employe to the commission.

[45] The commission is to determine either by general rule or in individual cases what is a reasonable panel and to require the employer to maintain such panel.

There has been a commendable disposition on the part of both employers and carriers to enlarge medical panels in many cases to the extent of furnishing a free or practically free choice of physicians. The policy of the commission is to broaden rather than to restrict the number of physicians on panels.

sion may cause such employe to be examined by a physician selected by it, and to obtain from him a report containing his estimate of such disabilities. If the report of such physician shows that the estimate of the panel physician has not been impartial from the standpoint of such employe, the commission may in its discretion charge the cost of such examination to the employer, if he is a self-insurer, or to the insurance company which is carrying the risk.[46]

(5) CHRISTIAN SCIENCE TREATMENT. Any employer may elect not to be subject to the provisions for Christian Science treatment provided for in this section by filing written notice of such election with the commission.

(6) ARTIFICIAL MEMBERS. Artificial members furnished at the end of the healing period need not be duplicated.

(7) Unless the employe shall have elected Christian Science treatment in lieu of medical, surgical, hospital, or sanatorium treatment, no compensation shall be payable for the death or disability of an employe, if his death be caused, or insofar as his disability may be aggravated, caused or continued (a) by an unreasonable refusal or neglect to submit to or follow any competent and reasonable medical or surgical treatment, (b) or, in the case of tuberculosis, by his refusal or neglect to submit to or follow hospital or

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[46] Subsections 2, 3 and 4 constitute the so-called "medical panel" provisions. Their purpose is to require employers and insurance carriers to maintain a panel of physicians, from which list employes shall be permitted to make their choice of physician to attend them. The size of this panel must necessarily vary according to the size of the community and the number of physicians available for service. In small communities the employer and insurer may satisfy their obligation by maintaining a smaller panel, and in those communities where only one physician is available, the tendering of service by that physician may be sufficient. The physicians named on the panel must be competent and impartial.

This legislation is intended to satisfy in a measure the demand of injured workmen that they be permitted to select their own physician. The plan will give them something approaching a choice and at the same time preserve for the employer and insurer the opportunity to see that only the most competent physicians and surgeons are called upon to attend employes. The agitation for the right of selection by the employe developed not always because of the incompetence of the physician designated by the employer, but more particularly because of conduct both in and out of hearing, which the injured men construed as evidence of partiality. The maintenance of strict impartiality by attending physicians will accomplish more than all other agencies to satisfy injured employes with the plan of medical selection by employers.

sanatorium treatment when found by the commission to be necessary. The right to compensation accruing during a period of refusal or neglect under (b) shall be barred, irrespective of whether disability was aggravated, caused or continued thereby.[47]

(8) Medical Expenses. In the event of a claim by a state employe under the conditions enumerated in s. 102.03, involving only payment of medical expense of not to exceed a gross of $50, the employing department may approve payment of such reasonable medical expense for necessary medical treatment to whomsoever owing, subject to subsequent review by the commission. If the employing department rejects the claim, the employe may make claim to the commission. Payment shall be charged to the appropriate fund, as provided by s. 20.550 (1).[48]

102.43 Weekly compensation schedule. If the injury causes disability, an indemnity shall be due as wages commencing with the fourth calendar day, exclusive of Sundays only, excepting where such employes work on Sunday, after the employe leaves work as the result of the injury, and shall be payable weekly thereafter, during such disability. If the disability shall exist after ten calendar days from the date the employe leaves work as a result of the injury and only if it so exists, indemnity shall also be due and payable for the first three calendar days, exclusive of Sundays only, excepting where such employes work on Sunday. Said weekly indemnity shall be as follows.[49]

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[47] Former provisions as to the consequences of refusal or neglect to submit to treatment for tuberculosis were confusing and uncertain. This proposal is to clarify the situation and to bar compensation accruing during a period of refusal of hospital or sanatorium treatment when the commission has found it to be necessary. This is based on equity and further to protect persons from contact and possible contraction of tuberculosis from persons suffering from the disease.

There is also provision making it clear that medical and surgical treatment are in the same category so far as refusal to submit is concerned, that is, loss of compensation to the extent that refusal of treatment augments disability.

[48] This amendment was effected by Chapter 166, Laws of 1965, effective August 1, 1965.

[49] The payment to be made on the eleventh calendar day will pay for all disability to that date except where the waiting period is to be excluded because disability does not continue after ten calendar days from the date of initial disability.

(1) If the injury causes total disability, seventy per cent of the average weekly earnings during such total disability.

(2) If the injury causes partial disability, during the partial disability, such proportion of the weekly indemnity rate for total disability as the actual wage loss of the injured employe bears to his average weekly wage at the time of his injury.[50]

(3) If the disability caused by the injury is at times total and at times partial, the weekly indemnity during each total or partial disability shall be in accordance with subsections (1) and (2), respectively.

(4) If the disability period involves a fractional week, indemnity shall be paid for each day of such week, except Sundays only, at the rate of one-sixth of the weekly indemnity.[51]

(5) Temporary disability, during which compensation shall be payable for loss of earnings, shall include such period as may be reasonably required for training in the use of artificial members and appliances, and shall include such period as the employe may be receiving instruction pursuant to the provisions of section 102.61. Temporary disability on account of receiving instruction of the latter nature, and not otherwise resulting from the injury, shall not be in excess of 40 weeks.[52]

102.44 Maximum limitations. Section 102.43 shall be subject to the following limitations:

(2) In case of permanent total disability aggregate indemnity shall be weekly indemnity for the period that he

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[50] In case of partial disability occasioning a wage loss, proportionate compensation is paid. For example: if an employe earns 50 per cent of his wage, he would also be entitled to 50 per cent of the compensation due for temporary total disability.

[51] Compensation is to be paid for each day of disability except Sunday, regardless of whether or not the day of disability is a working day. Payment for each day is to be made uniformly at the rate of one-sixth of the weekly indemnity regardless of the number of days per week which the employe works.

[52] In addition to compensation for temporary disability following injury compensation is to be paid for loss of earnings during such period as may be reasonably required, (1) for training in the use of artificial members and appliances, and (2) for such period as the employe may be receiving rehabilitation instruction. There is no stated limit for payment of compensation while training in the use of artificial members. There is a limitation of 40 weeks in case of rehabilitation training.

may live. Total impairment for industrial use of both eyes, or the loss of both arms at or near the shoulder, or of both legs at or near the hip, or of one arm at the shoulder and one leg at the hip, shall constitute permanent total disability. This enumeration shall not be exclusive but in other cases the commission shall find the facts.

(3) For permanent partial disability not covered by the provisions of sections 102.52 to 102.56 the aggregate number of weeks of indemnity shall bear such relation to the number of weeks set out in paragraphs (a) and (b) as the nature of the injury bears to one causing permanent total disability and shall be payable at the rate of 70 per cent of the average weekly earnings of the employe to be computed as provided in section 102.11.[53] Such weekly indemnity shall be in addition to compensation for healing period and shall be for the period that he may live, not to exceed, however, these named limitations, to-wit:

(a) One thousand weeks for all persons 50 years of age or less.

(b) For each successive yearly age group, beginning with 51 years, the maximum limitation shall be reduced by 2½ per cent per year, with no reduction in excess of 50 per cent.[54]

(4) Where the permanent disability is covered by the provisions of sections 102.52, 102.53 and 102.55,[55] such sections shall govern; provided, that in no case shall the percentage of permanent total disability be taken as more than 100 per cent.

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[53] Compensation is to be paid at the full weekly rate but is to be proportioned to the total number of weeks provided for permanent partial disability. For example, 10% permanent partial disability because of a back injury entitles the injured employe under 51 years of age to 100 weeks of compensation. The basis of weekly payment for all compensation cases is uniform.

[54] A uniform basis is adopted for scheduled and non-scheduled disabilities, on the basis of 2½ per cent reduction per year, beginning with 51 years, the maximum reduction to be not more than 50 per cent. See Table 2, infra.

It will be noted that after age 70 there will be no further reduction for permanent disability.

(See Section 102.53 (2) providing like reduction in schedule injuries)

[55] This provides for application of the "multiple injury" feature of the law as between schedule and non-schedule injuries as well as merely between schedule injuries.

102.45 Benefits payable to minors; how paid. Compensation and death benefit payable to an employe or dependent who was a minor when his right began to accrue, may, in the discretion of the commission, be ordered paid to a bank, trust company, trustee, parent, or guardian, for the use of such employe or dependent as may be found best calculated to conserve his interests. Such employe or dependent shall be entitled to receive payments, in the aggregate, at a rate not less than that applicable to payments of primary compensation for total disability or death benefit as accruing from his twenty-first birthday.[56]

102.46 Death benefit. Where death proximately results from the injury and the deceased leaves a person wholly dependent upon him for support, the death benefit shall equal four times his average annual earnings, but when added to the disability indemnity paid and due at the time of death, shall not exceed seventy per cent of weekly wage for the number of weeks set out in paragraphs (a) and (b) of subsection (3) of section 102.44, based on the age of the deceased at the time of his injury.[57]

102.47 Death benefit continued. If death occurs to an injured employe other than as a proximate result of the injury, before disability indemnity ceases, death benefit and burial expense allowance shall be as follows:

(1) Where the injury proximately causes permanent total disability, they shall be the same as if the injury had caused death, except that the burial expense allowance shall be included in the items subject to the limitation stated in

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[56] The purpose is to conserve the substantial installment payments which may be due to youthful employes. This in no way affects payments by the employer or insurance carrier but merely provides a method by which the industrial commission can direct retention and assume supervision of principal in the manner provided and thus conserve compensation payments best to suit the needs of the minor.

[57] This provision is to be read in conjunction with Sec. 102.44 (2), which provides for the compensating of permanent total disability during the life of the injured instead of for a given number of weeks. Sec. 102.46 preserves the old limitation, so that payment of death benefit, following a period of total disability, when added to the amount paid for disability before death, shall not exceed the same number of weeks as was formerly provided for permanent total disability.

section 102.46. The amount available shall be applied toward burial expense before any is applied toward death benefit.[58]

(2) Where the injury proximately causes permanent partial disability, the unaccrued compensation shall first be applied toward funeral expenses, not to exceed * * * *$500,*[59] any remaining sum to be paid to dependents, as provided in this section and ss. 102.46 and 102.48 and there shall be no liability for any other payments. All computations under this subsection shall take into consideration the present value of future payments.

102.48 Death benefit, continued. If the deceased employe leaves no one wholly dependent upon him for support, partial dependency and death benefits therefor shall be as follows:

(1) An unestranged surviving parent or parents, residing within any of the states or District of Columbia or any of the territorial possessions of the United States, shall receive a death benefit of $2,000.[60] If the parents are not living together, the commission shall divide this sum in such proportion as it determines to be just, considering their ages and other facts bearing on dependency.

(2) In all other cases the death benefit shall be such sum as the commission shall determine to represent fairly and justly the aid to support which the dependent might reasonably have anticipated from the deceased employe but for the injury. To establish anticipation of support and dependency, it shall not be essential that the deceased employe made any contribution to support. The

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[58] It is provided that burial expense along with compensation payable in life and death benefit payable to dependents is subject to the limitation and not additional to it as in the case of death caused by the injury. Burial expense is first claim upon the balance in conformity with 102.47 (2). The limitation under 102.46 is up to four times average annual earnings but not more than the balance of the number of weeks provided as the basis for computing permanent partial disability to the head and torso.

[59] This amendment was effected by Chapter 166, Laws of 1965, effective August 1, 1965.

[60] All unestranged parents, unless totally dependent, will receive the sum of $2,000—this being predicated on an approximate average of benefits for partial dependency on the part of parents.

It is not necessary to make a showing of contribution to support under this provision. If, however, a showing of *total* dependency can be made, then Section 102.46 is applicable.

aggregate benefits in such case shall not exceed twice the average annual earnings of the deceased; or four times the contributions of the deceased to the support of such dependents during the year immediately preceding his death, whichever amount is the greater. In no event shall the aggregate benefits in such case exceed the amount which would accrue to a person solely and wholly dependent. Where there is more than one partial dependent the weekly benefit shall be apportioned according to their relative dependency. The term "support" as used in sections 102.42 to 102.63 shall include contributions to the capital fund of the dependents, for their necessary comfort.

(3) Death benefit, other than burial expenses, except otherwise provided, shall be paid in weekly installments corresponding in amount to fifty per cent of the weekly earnings of the employe, until otherwise ordered by the commission.

102.49 Additional death benefits for children, state fund. (1) Where the beneficiary under s. 102.46 or s. 102.47 (1) is the wife or husband of the deceased employe and is wholly dependent for support, an additional death benefit shall be paid from the funds provided by sub. (5) for each child by their marriage living at the time of the death of the employe, and who is likewise wholly dependent upon him for support. Such additional benefit shall be computed from the date of the death of the employe as follows: For the child one year of age or under (including a posthumous child), a sum equal to 1-1/15 times the average annual earnings of the deceased employe. For children in each successive yearly age group the amount allowed shall be reduced by one-sixteenth part of such sum, with no allowance for any child over 16 years of age at the death of the employe unless such child be physically or mentally incapacitated from earning, in which case the commission shall make such allowance as the equities and the necessities of the case merit, not more, however, than the amount payable on account of a child under one year of age.

(2) A child lawfully adopted by the deceased employe and the surviving spouse, prior to the time of the injury, and a child not his own by birth or adoption but living with

him as a member of his family at the time of the injury shall for the purpose of this section be taken as a child by their marriage.

(3) Where the employe leaves a wife or husband wholly dependent and also a child or children by a former marriage or adoption, likewise wholly dependent, aggregate benefits shall be the same in amount as if the children were the children of such surviving spouse, and the entire benefit shall be apportioned to the dependents in such amounts as the commission shall determine to be just, considering their ages and other facts bearing on dependency. The benefit awarded to the surviving spouse shall not exceed four times the average annual earnings of the deceased employe.

(4) Dependency of any child for the purposes of this section shall be determined according to the provisions of subsection (1) of section 102.51, in like manner as would be done if there was no surviving dependent parent.

(5) (a) In each case of injury resulting in death, leaving one or more persons wholly dependent for support, the employer or insurer shall pay into the state treasury the sum of $2,500.

(b) In each case of injury resulting in death leaving no person dependent for support, the employer or insurer shall pay into the state treasury the sum of $11,000.

(c) In each case of injury resulting in death, leaving one or more persons partially dependent for support, the employer or insurer shall pay into the state treasury an amount which, when added to the sums paid or to be paid on account of partial dependency, shall equal the death benefit payable to a person wholly dependent, plus the amount payable into the state treasury under this subsection where there is a person wholly dependent, such payment to the state treasury in no event to exceed $11,000.

(d) The payment into the state treasury shall be made in all such cases regardless of whether the dependents or personal representatives of the deceased employe commence action against a third party under s. 102.29. If such payment is not made within 20 days after the commission makes request therefor, any sum payable shall bear interest at the rate of 6 per cent per annum.

(e) If the balance in the fund provided by this subsection on any June 30 equals or exceeds 1½ times the amount paid out of the fund during the fiscal year ending on said June 30, then the amount of the payment into the state treasury, where one or more persons is wholly dependent for support, shall be $2,000 instead of $2,500 for injuries occurring on or after the following October 1. If the balance is 2 times the amount paid out, the amount of the payment shall be $1,500 instead of $2,500. If the balance is 2½ times the amount paid out, the payment shall be $1,000. If the balance is 3 times the amount paid out, the payment shall be $500. If the balance is 3½ times the amount paid out, no payment shall be required. Any provision for payment of less than $2,500 shall be valid for a period of one year commencing on said October 1. The commission shall by findings and order annually before October 1 determine the amount to be paid into the fund; such findings and order shall set forth the balance in the fund as of June 30, and the amount paid out during such fiscal year.[61]

(6) The moneys paid into the state treasury pursuant to subsection (5) with all accrued interest is hereby appropriated to the commission for the discharge of all liability for additional death benefits accruing under this section.

(7) The additional benefits for account of each child shall accrue at the rate of 13 per cent of the surviving parent's weekly indemnity. The commission may award such benefits to the surviving parent of such child, to his guardian or to such other person, bank or trust company for his use as may be found best calculated to conserve the interest of the child. In the case of death of a child while benefits are still payable there shall be paid the reasonable expense for burial not exceeding $300.

(8) For the proper administration of the funds available under subsection (5) and (6) the commission shall, by order, set aside in the state treasury suitable reserves to carry to maturity the liability for additional death benefit. Such moneys shall be invested by the state of Wisconsin investment board, in the securities authorized in section 206.34.

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[61] As of April 1, 1959 the payment was $2,500; as of October 1, 1962, the payment was $2,000; as of October 1, 1963, the payment was $1,000. As of October 1, 1965, the payment is $500.

102.50 Burial expenses. In all cases where death of an employe proximately results from the injury the employer or insurer shall pay the reasonable expense for burial, not exceeding $500.

102.51 Dependents. (1) WHO ARE. The following shall be conclusively presumed to be solely and wholly dependent for support upon a deceased employe: a wife upon a husband with whom she is living at the time of his death; a husband upon a wife with whom he is living at the time of her death; a child under the age of eighteen years (or over said age, but physically or mentally incapacitated from earning), upon the parent with whom he is living at the time of the death of such parent, there being no surviving dependent parent. Where a dependent entitled to the presumption in this subsection survives the deceased employe, all other dependents shall be excluded.[62] The charging of any portion of the support and maintenance of a child upon one of the parents, or any voluntary contribution toward the support of a child by a parent, or an obligation to support a child by a parent shall constitute a living with any such parent within the meaning of this section.[63]

(2) WHO ARE NOT. (a) No person shall be considered a dependent unless a member of the family or a spouse, or a divorced spouse who has not remarried, or lineal descendent or ancestor, or brother or sister of the deceased employe.

(b) Where for eight years or more prior to the date of injury a deceased employe has been a resident of the United States, it shall be conclusively presumed that no person who has remained a nonresident alien during that period is either totally or partially dependent upon him for support.

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[62] This provision excludes all other dependents from consideration when there are persons who are conclusively presumed to be solely and wholly dependent.

[63] Where there is no surviving dependent parent, children up to the age of 18 "living with" the deceased at the time of injury and death arbitrarily become entitled to death benefit based on total dependency. The law formerly provided that in case of divorce the charging of any portion of support and maintenance or voluntary contribution toward support or an obligation to support a child by a parent should constitute a "living with" the parent and thus entitled the child to the presumption of total dependency. There appears no reason why the child should not be equally protected where divorce is pending but no decree entered, or where the parents live apart without divorce pending, or where for any other reason a child may not be factually or physically living with its parents.

(c) No person who is a nonresident alien shall be found to be either totally or partially dependent on a deceased employe for support who cannot establish dependency by proving contributions from the deceased employe by written evidence or tokens of the transfer of money, such as drafts, letters of credit, cancelled checks, or receipts for the payment to any bank, express company, United States post office, or other agency commercially engaged in the transfer of funds from one country to another, for transmission of funds on behalf of said deceased employe to such nonresident alien claiming dependency. This provision shall not be applicable unless the employe has been continuously in and has been remuneratively employed therein for at least 6 months.[64]

(3) DIVISION AMONG DEPENDENTS. If there is more than one person wholly or partially dependent, the death benefit shall be divided between such dependents in such proportion as the commission shall determine to be just, considering their ages and other facts bearing on such dependency.

(4) DEPENDENCY AS OF DATE OF INJURY. Questions as to who constitute dependents and the extent of their dependency shall be determined as of the date of the injury to the employe, and their right to any death benefit shall become fixed as of such time, irrespective of any subsequent change in conditions; and the death benefit shall be directly recoverable by and payable to the dependents entitled thereto or their legal guardians or trustees; in case of the death of a dependent whose right to a death benefit has thus become fixed, so much of the same as is then unpaid shall be payable to his personal representatives in gross.

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[64] A nonresident alien is barred from receiving benefits where the deceased employe, because of whose death claim is being made, has been a resident of the United States for 8 years or more prior to the date of injury.

This section formerly provided that no person who is a nonresident alien should be found either totally or partially dependent who could not establish contributions from the deceased employe by written evidence or tokens of the transfer of money such as drafts, letters of credit, cancelled checks, or certain other documentary evidence.

In some cases aliens who come to this country to work may be fatally injured before they have had opportunity to make contributions to their dependents. This provision allows proof of contributions other than by written evidence provided the deceased has not been in the United States for one year, or remuneratively employed for at least 6 months.

(5) WHEN NOT INTERESTED. No dependent of an injured employe shall be deemed a party in interest to any proceeding by him for the enforcement of his claim for compensation, nor as respects the compromise thereof by such employe. Subject to the provisions of section 102.16 (1), a compromise of all liability entered into by an employe shall be binding upon his dependents.

(6) DIVISION AMONG DEPENDENTS. Benefits accruing to a minor dependent child may be awarded to the mother in the discretion of the commission. Notwithstanding the provisions of subsection (1) the commission may reassign the death benefit, in accordance with their respective needs therefor as between a surviving spouse and children designated in section 102.49.[65]

(7) CERTAIN DEFENSE BARRED. In proceedings for the collection of primary death benefit or burial expense it shall not be a defense that the applicant, either individually or as a partner, was an employer of the deceased.[66]

102.52 Permanent partial disability schedule. In cases included in the following schedule of permanent partial disabilities indemnity shall be paid for the healing period, and in addition thereto, where the employe is 50 years of age or less, for the period specified, at the rate of 70 per cent of the average weekly earnings of the employe, to be computed as provided in section 102.11:

(1) The loss of an arm at the shoulder, 500 weeks;

(2) The loss of an arm at the elbow, 450 weeks;

(3) The loss of a hand, 400 weeks;

(4) The loss of a palm where the thumb remains, 275 weeks;

(5) The loss of a thumb and the metacarpal bone thereof, 125 weeks;

(6) The loss of a thumb at the proximal joint, 100 weeks;

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[65] This provision limits redistribution as between classes named.

[66] This provision allows an employer who is a parent or other relative to receive death benefit from the insurance carrier, although such applicant, either individually or as a partner, would not otherwise be entitled to such benefits under the holding in the case of *Thomas v. Ind. Comm.*, 243 Wis. 231.

(7) The loss of a thumb at the distal joint, 40 weeks;

(8) The loss of all fingers on one hand at their proximal joints, 225 weeks;

(9) Losses of fingers on each hand as follows:

(a) An index finger and the metacarpal bone thereof, 60 weeks;

(b) An index finger at the proximal joint, 50 weeks;

(c) An index finger at the second joint, 30 weeks;

(d) An index finger at the distal joint, 12 weeks;

(e) A middle finger and the metacarpal bone thereof, 45 weeks;

(f) A middle finger at the proximal joint, 35 weeks;

(g) A middle finger at the second joint, 20 weeks;

(h) A middle finger at the distal joint, 8 weeks;

(i) A ring finger and the metacarpal bone thereof, 26 weeks;

(j) A ring finger at the proximal joint, 20 weeks;

(k) A ring finger at the second joint, 15 weeks;

(l) A ring finger at the distal joint, 6 weeks;

(m) A little finger and the metacarpal bone thereof, 28 weeks;

(n) A little finger at the proximal joint, 22 weeks;

(o) A little finger at the second joint, 16 weeks;

(p) A little finger at the distal joint, 6 weeks;

(10) The loss of a leg at the hip joint, 500 weeks;

(11) The loss of a leg at the knee, 425 weeks;

(12) The loss of a foot at the ankle, 250 weeks;

(13) The loss of the great toe with the metatarsal bone thereof, 83–1/3 weeks;

(14) Losses of toes on each foot as follows:

(a) A great toe at the proximal joint, 25 weeks;

(b) A great toe at the distal joint, 12 weeks;

(c) The second toe with the metatarsal bone thereof, 25 weeks;

(d) The second toe at the proximal joint, 8 weeks;

(e) The second toe at the second joint, 6 weeks;

(f) The second toe at the distal joint, 4 weeks;

(g) The third, fourth or little toe with the metatarsal bone thereof, 20 weeks;

(h) The third, fourth or little toe at the proximal joint, 6 weeks;

(i) The third, fourth or little toe at the second or distal joint, 4 weeks;

(15) The loss of an eye by enucleation or evisceration, 275 weeks;

(16) Total impairment of one eye for industrial use, 250 weeks;[67]

(17) Total deafness from accident or sudden trauma, * * * *330 weeks;*[68]

(18) Total deafness of one ear from accident or sudden trauma, * * * *55* weeks;[69]

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[67] See Rule Ind 80.26 infra for determining loss of visual efficiency.

[68] See Rule Ind 80.25 infra for determining loss of hearing.

When the hearing in both ears has been reduced due to accidental injury, the smaller loss is multiplied by 5, added to the greater loss, and the total divided by 6. The resulting percentage is the loss of hearing in both ears and is applied to the schedule allowance for loss of hearing in both ears.

Example:

Age 30

Hearing in left ear—10 per cent loss
Hearing in right ear—90 per cent loss

$$\frac{(10\% \times 5) \text{ plus } 90\%}{6} = 23.33\% \text{ loss of hearing in both ears.}$$

[69] See 102.555 for occupational deafness schedule.

[68], [69] This amendment was effected by Chapter 166, Laws of 1965, effective August 1, 1965.

102.53 Multiple injury and age variations.[70] (1) In case an injury causes more than one permanent disability specified in sections 102.44 (3), 102.52 and 102.55, the period for which indemnity shall be payable for each additional equal or lesser disability shall be increased as follows:

(a) In the case of impairment of both eyes, by 200 per cent.

(b) In the case of disabilities on the same hand covered by section 102.52 (9), by 100 per cent for the first equal or lesser disability and by 150 per cent for the second and third equal or lesser disabilities.

(c) In the case of disabilities on the same foot covered by section 102.52 (14), by 20 per cent.

(d) In all other cases, by 20 per cent.

(e) The aggregate result as computed by applying paragraph (a), and the aggregate result for members on the same hand or foot as computed by applying paragraphs (b) and (c), shall each be taken as a unit for applying paragraph (d) as between such units, and as between such units and each other disability.

(2) In cases where the injured employe is above 50 years of age when injured the periods for which indemnity shall be payable, in addition to the healing period, shall be reduced from those specified in section 102.52 by 2½ per cent for each year that the age of such employe exceeds 50, with no reduction in excess of 50 per cent.[71]

102.55 Application of schedules. (1) Whenever amputation of a member is made between any 2 joints mentioned in the schedule in section 102.52 the determined loss and re-

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[70] This provides for "stepping up" the value of disabilities to two or more fingers or portions of them so that in case of disabilities to fingers on one hand the increase is an additional 100% for the first equal or lesser disability and 150% for the second and third equal or lesser disabilities. In case of toes on one foot the corresponding increase is 20%, as it is in all other cases of multiple injury except for impairment of both eyes, where the increase is treble, as heretofore. When the aggregate result for members on the same hand or foot or for an eye has been computed, it is taken as a unit and there is increase as between that and other units by 20% for each equal or lesser injury unit (except as between both eyes or both ears).

[71] See Table 2, infra.

sultant indemnity therefor shall bear such relation to the loss and indemnity applicable in case of amputation at the joint next nearer the body as such injury bears to one of amputation at the joint nearer the body.

(2) For the purposes of this schedule permanent and complete paralysis of any member shall be deemed equivalent to the loss thereof.

(3) For all other injuries to the members of the body or its faculties which are specified in this schedule resulting in permanent disability, though the member be not actually severed or the faculty totally lost, compensation shall bear such relation to that named in this schedule as disabilities bear to the disabilities named in this schedule. Indemnity in such cases shall be determined by allowing weekly indemnity during the healing period resulting from the injury and the percentage of permanent disability resulting thereafter as found by the commission.[72]

102.555 Occupational deafness: definitions. (1) "Occupational deafness" means permanent partial or permanent total loss of hearing of one or both ears due to prolonged exposure to noise in employment. "Noise" means sound capable of producing occupational deafness. "Noisy employment" means employment in the performance of which an employe is subjected to noise.

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[72] The commission has adopted the following rule for estimating the permanent disability involving finger tip amputations. Unless otherwise affirmatively established, in estimating permanent disability as a result of finger tip amputations, amputation of the distal one-third or less shall be considered the equavlent of 45 per cent loss of use of the distal phalanx, amputation of not more than the distal two-thirds but more than the distal one-third shall be considered the equivalent of 80 per cent loss of use of the distal phalanx, and amputation of more than the distal two-thirds shall be considered as 100 per cent loss of the distal phalanx, provided there is no added disability as a result of malformed nail or tissue. In no case shall the allowance be greater than it would have been for amputation of the entire distal phalanx.

After conferences with industrial physicians and surgeons in various parts of the state the commission has adopted a table (No. 5 for rating certain typical major disabilities involving ankylosis or restriction of movement). Physicians are free to make estimates different from those set forth in the table. However, because of the complete discussion and practically unanimous agreement upon which the table is based, the commission will require a very clear showing to be made that its application is inequitable.

(2) No benefits shall be payable for temporary total or temporary partial disability under this act for loss of hearing due to prolonged exposure to noise.

(3) An employe who because of occupational deafness is transferred by his employer to other noisy employment and thereby sustains actual wage loss, shall be compensated at the rate provided in s. 102.43 (2), not exceeding $3,500 in the aggregate from all employers. "Time of injury," "occurrence of injury," "date of injury" in such case shall be the date of wage loss.

(4) (intro. par.) Subject to the limitations herein contained and the provisions of s. 102.53 (2) there shall be payable for total occupational deafness of one ear, 36 weeks of compensation; for total occupational deafness of both ears, 216 weeks of compensation; and for partial occupational deafness, compensation shall bear such relation to that named herein as disabilities bear to the maximum disabilities herein provided. In cases covered by this subsection "time of injury," "occurrence of injury," or "date of injury" shall be exclusively the date of occurrence of any of the following events to an employe.[73]

(a) Transfer because of occupational deafness to nonnoisy employment by an employer whose employment has caused occupational deafness;

(b) Retirement;

(c) Termination of the employer–employe relationship;

(d) Layoff, provided the layoff is complete and continuous for one year;

(e) No claim under this subsection shall be filed, however, until 6 consecutive months of removal from noisy

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[73] See Rule Ind 80.25 infra for determining loss of hearing. For occupational deafness the smaller loss is multiplied by 5, added to the greater loss, and the total divided by 6. The resulting percentage is the loss of hearing in both ears and is applied to the schedule allowance for loss of hearing in both ears.

Example:

Age 30

Hearing in left ear—40 per cent loss
Hearing in right ear—70 per cent loss

$$\frac{(40\% \times 5) \text{ plus } 70\%}{6} = 45\% \text{ loss of hearing in both ears}$$

Sec. 102.52 (17) and (18) for deafness due to trauma or accident.

employment after the time of injury except that under par. (d) such 6 consecutive months period may commence within the last 6 months of layoff.

(5) The limitation provisions in this act shall control claims arising under this section. Such provisions shall run from the first date upon which claim may be filed, or from the date of subsequent death, provided that no claim shall accrue to any dependent unless an award has been issued or liability admitted.

(6) No payment shall be made to an employe under this section unless he shall have worked in noisy employment for a total period of at least 90 days for the employer from whom he claims compensation.

(7) An employer shall become liable for the entire occupational deafness to which his employment has contributed; but if previous deafness is established by a hearing test or other competent evidence, whether or not the employe was exposed to noise within the 6 months preceding such test, he shall not be liable for previous loss so established nor shall he be liable for any loss for which compensation has previously been paid or awarded.

(8) Any amount paid to an employe under this section by any employer shall be credited against compensation payable by any employer to such employe for occupational deafness under subs. (3) and (4). No employe shall in the aggregate receive greater compensation from any or all employers for occupational deafness than that provided in this section for total occupational deafness.

102.56 Disfigurement. If an employe is so permanently disfigured about the face, head, neck, hand or arm as to occasion potential loss of wage, the commission may allow such sum for compensation on account thereof, as it deems just, not exceeding his average annual earnings as defined in s. 102.11.

102.565 Silicosis, nondisabling; medical examination; conditions of liability. (1) When an employe working subject to this chapter is, because he has a nondisabling silicosis, discharged from the employment in which he is engaged, or when an employe ceases such employment and

it is in fact inadvisable for him on account of a nondisabling silicosis to continue in it, and suffers wage loss by reason of such discharge, or such cessation, the commission may allow such compensation on account thereof as it deems just, not exceeding $7,000. In case of such discharge prior to a finding by the industrial commission that it is inadvisable for him to continue in such employment, the liability of the employer who so discharges his employe shall be primary, and the liability of the insurer shall be secondary, under the same procedure and to the same effect as provided by s. 102.62.

(2) Upon application of any employer or employe the commission may direct any employe of such employer or such employe who, in the course of his employment, has been exposed to the inhalation of silica, to submit to examination by a physician or physicians to be appointed by the industrial commission to determine whether such employe has silicosis, and the degree thereof. The cost of such medical examination shall be borne by the person making application. The results of such examination shall be submitted by the physician to the industrial commission, which shall submit copies of such reports to the employer and employe, who shall have opportunity to rebut the same provided request therefor is made to the commission within 10 days from the mailing of such report to the parties. The commission shall make its findings as to whether or not it is inadvisable for the employe to continue in his employment.

(3) If an employe shall refuse to submit to such examination after direction by the commission, or any member or examiner thereof, or shall in any way obstruct the same, his right to compensation under this section shall be barred.

(4) No payment shall be made to an employe under this section unless he shall have worked for the employer from whom he claims compensation in work exposing him to inhalation of silica for a total period of at least 90 days.

(5) Payment of a benefit under this section to an employe shall estop such employe from any further recovery whatsoever from any employer under this section.

102.57 Violations of safety provisions, penalty. Where injury is caused by the failure of the employer to comply with any statute or any lawful order of the commission, compensation and death benefits as provided in this chapter shall be increased 15 per cent. Failure of an employer reasonably to enforce compliance by employes with such statute or order of the commission shall constitute failure by the employer to comply with such statute or order.[74]

102.58 Decreased compensation. Where injury is caused by the * * *[75] failure of the employe to use safety devices where provided in accordance with any statute or lawful order of the commission and adequately maintained, and their use is reasonably enforced, by the employer, or where injury results from the employe's * * *[75] failure to obey any reasonable rule adopted by the employer for the safety of the employe and of which the employe has notice, or where injury results from the intoxication of the employe, the compensation, and death benefit provided herein shall be reduced 15 per cent.[76]

102.59 Pre-existing disability, indemnity, state fund, investment.[77] (1) If an employe has at the time of injury

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[74] Where an employer fails to enforce compliance with safety orders the effect is often the same as though safety devices and safe places of work were not provided. This results in increase in the number of injuries. The provision will hold liable the employer who may provide safety devices and then by acquiescence in non-use fail to accomplish the desired result as to safety.

[75] Effective August 1, 1965, the law was amended to delete the word "wilful."

[76] Compensation cannot be reduced by 15% for failure of the employe to use safety devices where provided and adequately maintained *except* as their use is reasonably enforced. It was felt unfair to permit a reduction of compensation in cases where the employer acquiesced in failure of the employe to make use of a guard or where by failure to enforce use the employer had virtually consented that the employe should be allowed not to use the safety device.

It is necessary for the employer to show that he made a reasonable effort to enforce such rules.

The safety device must be one which is provided in accordance with a statute or lawful order of the commission and not merely one adopted but not required.

Reduction for failure to obey a reasonable rule adopted by the employer can be made only (1) where a denfiite order is shown and (2) where the employe had notice of the rule.

[77] This subsection has a two-fold purpose: First to eliminate any incentive for discrimination against the employe who has serious previous disability when he comes to seek re-employment because of the employer's fear, real

permanent disability which if it had resulted from such injury would have entitled him to indemnity for 250 weeks less 2½ per cent thereof for each year of age above 50 years with no reduction in excess of 50 per cent, and, as a result of such injury, incurs further permanent disability, which entitles him to indemnity for 250 weeks less 2½ per cent thereof for each year of age above 50 years with no reduction in excess of 50 per cent, he shall be paid from the funds provided in this section additional compensation equivalent to the amount which would be payable for said previous disability if it had resulted from such injury or the amount which is payable for said further disability, whichever is the lesser, provided, that if said disabilities result in permanent total disability the additional compensation shall be in such amount as will complete the payments which would have been due had said permanent total disability resulted from such injury.[78] Such additional compensation shall accrue from the end of the period for which compensation for permanent disability resulting from such injury is payable by the employer, and shall be subject to the provisions of section 102.32 (6) and (7).

(2) In the case of the loss or of the total impairment of a hand, arm, foot, leg or eye, the employer shall be required to pay $1,500 into the state treasury. The payment shall be made in all such cases regardless of whether the employe, his dependent or personal representatives, commence action against a third party as provided in s. 102.29.

(3) The moneys so paid into the state treasury, with all accrued interest, is hereby appropriated to the commission

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or otherwise, that the loss of another member may subject him to very large indemnities on the ground that such loss would cause total or near total disability; *second,* to secure to the employe sustaining the loss or total impairment of a second member such amount of indemnity as the seriousness of the combined disabilities calls for.

Direct liability of the employer in case of the loss of the second member is made the same as for the loss of the first member, and the injured employe's rights are conserved by orders drawn on the fund for the balance of his indemnity. Primary liability of the employer for payment of $1,500 to the fund is insurable.

See Table 4, infra.

[78] To illustrate one who has previoulsy lost an arm at the shoulder at age 50 would have been entitled to 500 weeks' compensation. By second injury he loses his hand at the wrist and becomes entitled to 400 weeks' compensation. Over and above payment for second injury the employe may receive an additional 400 weeks of compensation from the fund.

for the discharge of all liability for special additional indemnity accruing under this section.

(4) For the proper administration of the funds available under this section the commission shall, by order, set aside in the state treasury suitable reserves to carry to maturity the liability for special additional indemnity in each case, and for any contingent death benefit. Such moneys shall be invested by the state of Wisconsin investment board, in the securities authorized in section 206.34.

102.60 Minor illegally employed, compensation. When the injury is sustained by a minor illegally employed, compensation and death benefits shall be as follows:

(1) Double the amount otherwise recoverable, if the injured employe is a minor of permit age, and at the time of the injury is employed, required, suffered or permitted to work without a written permit issued pursuant to chapter 103, except as provided in subsection (2).

(2) Treble the amount otherwise recoverable, if the injured employe is a minor of permit age, and at the time of the injury is employed, required, suffered, or permitted to work without a permit in any place of employment or at any employment in or for which the commission acting under authority of chapter 103, has adopted a written resolution providing that permits shall not be issued.

(3) Treble the amount otherwise recoverable if the injured employe is a minor of permit age, or over, and at the time of the injury is employed, required, suffered, or permitted to work at prohibited employment.

(4) Treble the amount otherwise recoverable, if the injured employe is a minor under permit age and illegally employed.

(5) A permit unlawfully issued by an officer specified in chapter 103, or unlawfully altered after issuance, without fraud on the part of the employer, shall be deemed a permit within the provisions of this section.

(6) If the amount recoverable under this section for temporary disability shall be less than the actual loss of

wage sustained by the minor employe, then liability shall exist for such loss of wage.

(7) The provisions of subsections (1) to (6) of section 102.60 shall not apply to employes as defined in subsection (6) of section 102.07 if the agency or publisher shall establish by affirmative proof that at the time of the injury the employe was not employed with the actual or constructive knowledge of such agency or publisher.

(8) This section shall not apply to liability arising under s. 102.06 unless the employer sought to be charged knew or should have known that the minor was illegally employed by the contractor or subcontractor.

(9) The increased compensation or increased death benefits recoverable under sub. (1) shall not exceed $5,000. The increased compensation or increased death benefits recoverable under subs. (2), (3) or (4) shall not exceed $7,500.

102.61 Indemnity under rehabilitation law. An employe who is entitled to receive and has received compensation pursuant to this chapter, and who is entitled to and is receiving instructions pursuant to the provisions of the Act of Congress known as the Vocational Rehabilitation Act, and amendments thereto, (Public Law 113 – 78th Congress) as administered by the state in which he holds residence or in which he resided at the time of becoming physically handicapped, shall, in addition to his other indemnity, be paid his actual and necessary expenses of travel and, if he received such instructions elsewhere than at the place of his residence, his actual and necessary costs of maintenance, during rehabilitation, subject to the following conditions and limitations:

(1) He must undertake the course of instruction within 60 days from the date when he has sufficiently recovered from his injury to permit of his so doing, or as soon thereafter as the officer or agency having charge of his instruction shall provide opportunity for his rehabilitation.

(2) He must continue in rehabilitation training with such reasonable regularity as his health and situation will permit.

(3) He may not have expenses of travel and costs of maintenance on account of training for a period in excess of 40 weeks in all.[79]

(4) The commission shall determine the rights and liabilities of the parties under this section in like manner and with like effect as it does other issues under compensation.

102.62 Primary and secondary liability; unchangeable. In case of liability for the increased compensation or increased death benefits provided for by section 102.57, or included in section 102.60, the liability of the employer shall be primary and the liability of the insurance carrier shall be secondary. In case proceedings are had before the commission for the recovery of such increased compensation or increased death benefits the commission shall set forth in its award the amount and order of liability as herein provided. Execution shall not be issued against the insurance carrier to satisfy any judgment covering such increased compensation or increased death benefits until execution has first been issued against the employer and has been returned unsatisfied as to any part thereof. Any provision in any insurance policy undertaking to guarantee primary liability or to avoid secondary liability for such increased compensation or increased death benefits shall be void. In case the employer shall have been adjudged bankrupt, or have made an assignment for the benefit of creditors, or if the employer, other than an individual, have gone out of business or have been dissolved, or if a corporation, its charter have been forfeited or revoked, the insurer shall be liable for the payment of increased compensation and death benefits without judgment or execution against the employer, but without altering the primary liability of the employer.

102.63 Refunds by state. Whenever the commission shall certify to the state treasurer that excess payment has

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[79] These provisions extend maintenance benefits during rehabilitation training to employes injured subject to the Wisconsin law but who are residents of other states. The provision provides actual and necessary expenses of travel and cost of maintenance other than at the place of residence. Maintenance may be arranged by any officer or agency having charge of instruction. The limit as to expense of travel and cost of maintenance for training is 40 weeks. See Sec. 41.71 infra for text of Rehabilitation Law.

been made under section 102.59 or under subsection (5) of section 102.49 either because of mistake or otherwise, the state treasurer shall within five days after receipt of such certificate draw an order against the fund in the state treasury into which such excess was paid, reimbursing such payor of such excess payment together with interest actually earned thereon.

102.64 Attorney-general shall represent state and commission. (1) The attorney-general shall represent the state in all cases involving payment into or out of the state treasury under s. 20.550 (1) or ss. 102.49 or 102.59. He shall have power to compromise the amount of such payments but such compromises shall be subject to review by the commission. If the wife or husband of the deceased employe compromises her or his claim for primary death benefit, the claim of the children of such employe under s. 102.49 shall be compromised on the same pro rata basis subject to approval by the commission.[80]

(2) In all proceedings upon claims for compensation against the state, the attorney-general may appear on behalf of the state.

(3) In any action to review an order or award of the commission, and upon any appeal therein to the supreme court, the attorney-general shall appear on behalf of the commission, whether any other party defendant shall be represented or not, except that in actions brought by the state the governor shall appoint an attorney to appear on behalf of the commission.

102.65 Compensation security funds. (The text of this section is not printed in this pamphlet. This provision is for the establishing of workmen's compensation security funds for the payment of compensation in case of insolvency of insurance carriers.)

102.66 Waiver of payments. Any person entitled to death benefits, burial expenses, and medical and incidental com-

[80] This eliminates the question of whether liability for children's benefits may be denied where compromise of a parent's claim has been made. Issues involved are the same in both cases so adjustment also is on a comparable basis.

pensation payments under this chapter who may otherwise be entitled to payments under s. 66.191 (2) may file with the commission a written election to waive the death and burial expense payments due under this chapter and accept in lieu thereof such death benefit payments as may be due under s. 66.191 (2) plus such medical and incidental compensation payments as may be due under s. 102.42. No person shall receive death and burial expense payments under both s. 66.191 (2) and ch. 102.

OTHER STATUTES AFFECTING WORKMEN'S COMPENSATION

16.31 (1) Hazardous employment, injuries, salary continued. Whenever a conservation warden, *conservation patrol boat captain, conservation patrol boat engineer,* state forest ranger, field employe of the conservation department who is subject to call for fire control duty, member of the state patrol, state motor vehicle inspector, * * * *fire marshal, lifeguard, special agent for the attorney general, special tax agent, state drivers' license examiner,* member of the state fair police department, state university * * * policemen, state beverage tax investigator, *engineer, engineering aid,* fire watchman employed at the Grand Army home, or guard or institutional aid or a state probation and parole officer or any other employe whose duties include supervision and discipline of inmates *or wards of the state at the Wisconsin child center or* at a state penal institution, including central state hospital, the state school for boys, the state school for girls, or while on parole supervision outside of the confines of the institutions, or supervision of persons placed on probation by a court of record, or supervision and care of patients at a state mental institution, *and university hospitals,* suffers injury while in the performance of his duties, as defined in subs. (2) and (3), he shall continue to be paid his full monthly salary by his employing department upon the same basis as he was paid prior to the injury. Such full monthly salary shall be paid to the employe while he is unable to work as the result of the injury for not to exceed 3 months *upon recommendation of the appointing officer and approval of the director of*

personnel. When the employe is paid such salary under this section there shall be no deduction from his sick leave credits, compensatory time for overtime accumulations or vacation.

(2) "Injury" as used in this section is physical harm to an employe caused by accident or disease.

(3) As used in this section "Performance of duties" means duties performed in line of duty by:

(a) A forest ranger or field employe of the conservation department who is subject to call for forest fire control duty or fire watchman employed at the Grand Army home, *and lifeguard,* at all times while:

1. Driving or riding in a vehicle, aircraft or boat under circumstances which require hazardous maneuvering or speed in excess of the normal or posted limits in the performance of fire control duties;

2. Engaged in an effort to save lives, recover dead bodies, or protect public or private property;

3. Going to or returning from a fire and while engaged in the suppression of a fire; or

4. Engaged in public demonstration or training exercises provided such demonstration or training exercises are authorized by the appointing authority.

(b) A conservation warden, *conservation patrol boat captain, conservation patrol boat engineer,* a member of the state patrol, state motor vehicle inspector, university * * * policemen, * * * member of the state fair police department, * * * state beverage tax investigator, *special tax agent, special agent of the attorney general* and *fire marshal* at all times while:

1. In the process of making an arrest or investigating any violation or suspected violation of the law or the quelling of a riot or any other violence;

2. Engaged in an effort to save lives, recover dead bodies or protect public or private property;

3. Driving or riding in a vehicle, aircraft or boat under circumstances which require hazardous maneuvering or speed in excess of the normal or posted limits in the performance of law enforcement duties; or

4. Engaged in public demonstration or training exercises provided such demonstration or training exercises are authorized by the appointing authority.

(c) A guard, institution aid, or other employe * * * *at the Wisconsin child center, university hospitals or at* state penal and mental institutions, including central state hospital, the state school for boys, the state school for girls and state probation and parole officers, at all times while:

1. In the process of quelling a riot or disturbance or other act of violence;

2. In the process of restraining patients, inmates, probationers or parolees and apprehending runaways or escapees, including probationers and parolees;

3. When injury is inflicted as the result of an assault or act of violence by a patient, inmate, probationer or parolee; or

4. In the process of making an arrest or investigating any violation or suspected violation of law pursuant to police powers, authorized by s. 46.05 (2) and rules adopted pursuant thereto.

5. *Going to or returning from a fire, engaging in the suppression of a fire, evacuating patients or inmates of a fire or engaging in fire drills.*

6. *When disease is contracted as a result of exposure to such disease arising out of the care of inmates or patients.*

(d) A drivers' license examiner at all times while examining drivers, conducting road tests or checking motor vehicles.

(e) An engineering aid or engineer at all times while:

1. Driving or riding in vehicles which require hazardous maneuvering of excessively slow speed while marking or measuring physical characteristics of highways.

2. Surveying or inspecting within the right of way of highways on which traffic is maintained.

3. Surveying or inspecting on construction sites where heavy equipment is operating.

4. Investigating or inspecting highways, structures or terrain under hazardous conditions.

(4) In case an employe is denied benefits provided by this section by the employing department *or the director of per-*

sonnel, the employe shall have a right of appeal to the personnel board. The personnel board shall conduct hearings under the rules prescribed by the board and shall make an order granting or denying the application for benefits or making a determination as to the duration thereof. The personnel board shall, pursuant to s. 16.05, adopt rules for the administration of this section.

20.550 Miscellaneous general appropriations. There is appropriated from the general fund, or such other funds as may be indicated, annually, to be paid as herein provided:

(1) COMPENSATION, INJURED STATE EMPLOYES. Annually, such sums as may be necessary for payments as provided in ch. 102, and under ss. 56.21 and 66.191, except that payments of increased compensation payable under ss. 102.57 and 102.60, shall be paid from the appropriation covering the salary or maintenance of the person injured, provided such appropriation has not been exhausted; otherwise payments shall be made from the general fund and the first $200 of compensation thus paid from the general fund in the case of any person whose work was financed from a segregated fund or account shall be charged to that fund or account.

22.01 Civil defense. (11) (d) *Workmen's compensation coverage.* Employes of municipal and county civil defense units are employes of the municipality or county to which the unit is attached for purposes of workmen's compensation benefits. Employes of the area and state civil defense units are employes of the state for purposes of workmen's compensation benefits. Volunteer civil defense workers are employes of the civil defense unit with whom duly registered in writing for purposes of workmen's compensation benefits. A civil defense employe or volunteer who engages in civil defense activities upon order of any echelon in the civil defense organization other than that which carries his workmen's compensation coverage shall be eligible for the same benefits as though employed by the governmental unit employing him. Any employment which is part of a civil defense program including but not restricted because of enumeration, test runs and other activities which have a training

objective as well as civil defense activities during an emergency proclaimed by the governor and which grows out of, and is incidental to, such civil defense activity is covered employment. Members of a civil defense unit who are not acting as employes of a private employer during civil defense activities are employes of the civil defense unit for which acting. If no pay agreement exists or if the contract pay is less, pay for workmen's compensation purposes shall be computed at $2,080 per annum.

(e) *Indemnification of employe.* Civil defense employes as defined in par. (d) shall be indemnified by their sponsor against any tort liability to third persons incurred in the performance of civil defense activities while acting in good faith and in a reasonable manner. Civil defense activities constitute a governmental function.

(f) *State reimbursement.* If the total liability for workmen's compensation benefits under par. (d), indemnification under par. (e) and loss from destruction of equipment under sub. (12), incurred in any calendar year exceeds $1 per capita of the sponsor's population, the state shall reimburse the sponsor for the excess. Payment shall be made from the appropriation in s. 20.270 (1) on certificate of the state director.

(g) *Pay.* Civil defense employes as such shall receive no pay unless specific agreement for pay is made.

41.71 Rehabilitation law. (1) The state of Wisconsin hereby assents to and accepts the provisions and benefits of the act of congress entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment," approved June 2, 1920, and any amendatory or supplementary acts thereto as the congress of the United States may enact. The state board of vocational and adult education shall cooperate, pursuant to agreements, with the federal government and the United States Office of Vocational Rehabilitation in carrying out the purposes of any federal statutes pertaining to vocational rehabilitation and is authorized to adopt such methods of administration

INDUSTRIAL COMMISSION OF WISCONSIN

WORKMEN'S COMPENSATION ACT OF WISCONSIN

With Amendments to August 1, 1965

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WORKMEN'S COMPENSATION ACT
(WITH 1965 AMENDMENTS)

102.01 Definitions. (1) The provisions of this chapter may be known, cited and referred to as the "Workmen's Compensation Act" and allowances, recoveries and liabilities under or pursuant to this act constitute and may be known, designated and referred to as "Workmen's Compensation."

(2) "Act" as used in this chapter means "chapter"; "compensation" means workmen's compensation; "primary compensation and death benefit" * * * *means* compensation or indemnity for disability, or death benefit, other than increased, double or treble compensation or death benefit; "injury" is mental or physical harm to an employe caused by accident or disease, and also damage to or destruction of artificial members, dental appliances, teeth, *hearing aids,* and eye glasses, but, in the case of *hearing aids or* eyeglasses, only if such damage or destruction resulted from accidents which also caused personal injury entitling the employe to compensation therefor (either for disability or treatment); "municipality" includes county, city, town, village, school district, sewer district, drainage district, and

other public or quasi-public corporations; "examiner" includes the director of workmen's compensation; and "commission" means the industrial commmission of Wisconsin. "Time of injury," "occurrence of injury," or "date of injury" is the date of the accident which caused the injury, or in the case of disease the last day of work for the last employer whose employment caused disability, except that in case of occupational deafness the definition in s. 102.555 controls.[1, 2]

102.03 Conditions of liability. (1) Liability under this chapter shall exist against an employer only where the following conditions concur:

(a) Where the employe sustains an injury.

(b) Where, at the time of the injury, both the employer and employe are subject to the provisions of this chapter.

(c) 1. Where, at the time of the injury, the employe is performing service growing out of and incidental to his employment. Every employe going to and from his employment in the ordinary and usual way, while on the premises of his employer, or while in the immediate vicinity thereof if the injury results from an occurrence on the premises, shall be deemed to be performing service growing out of and incidental to his employment; and so shall any fireman responding to a call for assistance outside the limits of his city or village, unless such response is in violation of law. The premises of his employer shall be deemed to include also the premises of any other person on whose premises service is being performed.

2. To enhance the morale and efficiency of public employes in this state and attract qualified personnel to the public service, it is the policy of the state that the benefits of this chapter shall extend and be granted to employes in the service of the state or of any municipality therein on

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[1] As to eyeglasses and hearing aids, damage or destruction must result from an *accident* which also causes personal injury entitling the employe to medical treatment or payment of compensation. The effect is that if an employe merely slips and his eyeglasses or hearing aid drop to the floor and break, but no personal injury results to the employe, there will be no payment for damage to eyeglasses or hearing aid.

[2] Compensation benefits may be recovered for disability which occurs after the severance of the employer-employe relationship, even though there was neither wage loss, nor time loss during the time that the employe was in service.

the same basis, in the same manner, under the same conditions, and with like right of recovery as in the case of employes of persons, firms or private corporations. Accordingly, the same considerations, standards, and rules of decision shall apply in all cases in determining whether any employe under this chapter, at the time of injury, was performing service growing out of an incidental to his employment. For the purposes of this subsection no differentiation shall be made among any of the classes of employers enumerated in s. 102.04 or of employes enumerated in s. 102.07; and no statutes, ordinances, or administrative regulations otherwise applicable to any employes enumerated in s. 102.07 shall be controlling.

(d) Where the injury is not intentionally self-inflicted.

(e) Where the accident or disease causing injury arises out of his employment.

(f) Every employe whose employment requires him to travel shall be deemed to be performing service growing out of and incidental to his employment at all times while on a trip, except when engaged in a deviation for a private or personal purpose. Acts reasonably necessary for living or incidental thereto shall not be regarded as such a deviation. Any accident or disease arising out of a hazard of such service shall be deemed to arise out of his employment.[3]

(g) For the purposes of this chapter, members of the state legislature shall be deemed covered while traveling to and from the capital in the performance of their function as legislators, and while traveling in the performance of their official duties as members of committees or other bodies created by the legislature or the governor, either during the session or during the interim.

(2) Where such conditions exist the right to the recovery of compensation pursuant to this chapter shall be the exclusive remedy against the employer, and the workmen's compensation insurance carrier.

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[3] Accident or disease must arise out of a hazard of employment, and accidents and diseases not caused by reason of incidents of service are not to be compensated. Injuries, whether accidental or otherwise, must therefore, arise out of the business circumstances of the trip and not merely occur because of a personal condition or disability bearing no relation whatsoever to service.

(3) In the case of disease intermittent periods of temporary disability shall create separate claims, and permanent partial disability shall create a claim separate from a claim for any subsequent disability which latter disability is the result of an intervening cause.

(4) The right to compensation and the amount thereof shall in all cases be determined in accordance with the provisions of law in effect as of the date of the injury.

102.04 Definition of employer (1) The following shall constitute employers subject to the provisions of this chapter, within the meaning of section 102.03:

(a) The state, each county, city, town, village, school district, sewer district, drainage district and other public or quasi-public corporations therein.

(b) Every person who usually employs 3 or more employes, whether in one or more trades, business, professions or occupations, and whether in one or more locations. This paragraph shall not apply to farmers or to farm labor.[4]

(c) Every person engaged in farming who on any 20 consecutive or nonconsecutive days during a calendar year employs 6 or more employes, whether in one or more locations. The provisions of this chapter shall apply to such employer 10 days after the twentieth such day.[5]

(d) Every person to whom pars. (a), (b) and (c) are not applicable, who has any person in service under any contract of hire, express or implied, oral or written, and who, at or prior to the time of the injury to the employe for which compensation may be claimed, shall, as provided in s. 102.05, have elected to become subject to the provisions of this chapter, and who shall not, prior to such accident, have effected a withdrawal of such election.

(2) Members of partnerships shall not be counted as employes. Except as provided in s. 102.07 (5) (a), a person

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[4] The employer becomes subject to the act whether the employes are in one or more trades, or one or more locations. An employer with two employes in Milwaukee and two in Madison would become subject even though employes in Milwaukee were engaged in the shoe business and employes in Madison in the restaurant business.

[5] Farmers are made subject to the act if there are 6 or more employes on any 20 days in a calendar year, and workmen's compensation insurance must be provided. Farmers were exempt until this provision became effective January 1, 1962.

under contract of hire for the performance of any service for any employer subject to this section (1961) shall not constitute an employer of any other person with respect to such service and such other person shall, with respect to such service, be deemed to be an employe only of such employer for whom the service is being performed.[6]

(3) As used in this chapter "farming" means the operation of farm premises owned or rented by the operator. "Farm premises" means areas used for operations herein set forth, but does not include other areas, greenhouses or other similar structures unless used principally for the production of food and farm plants. "Farmer" means any person engaged in farming as defined. Operation of farm premises shall be deemed to be the planting and cultivating of the soil thereof; the raising and harvesting of agricultural, horticultural or arboricultural crops thereon; the raising, breeding, tending, training and management of livestock, bees, poultry, fur bearing animals, wildlife or aquatic life, or their products, thereon; the processing, drying, packing, packaging, freezing, grading, storing, delivering to storage, to market or to a carrier for transportation to market, distributing directly to consumers or marketing any of the above-named commodities, substantially all of which have been planted or produced thereon; the clearing of such premises and the salvaging of timber and management and use of wood lots thereon, but not including logging, lumbering or wood cutting operations unless conducted as an accessory to other farming operations; the managing, conserving, improving and maintaining of such premises or the tools, equipment and improvements thereon and the exchange of labor, services or the exchange of use of equipment with other farmers in pursuing such activities. The operation for not to exceed 30 days during any calendar year, by any person deriving his principal income from farming, or farm machinery in performing farming services for other farmers for a consideration other than

[6] A possible dual status of employer and employe is objectionable because of confusion, delay and expense caused in determining who is actually to assume liability. This provision makes it clear that an employe cannot also be an employer with respect to service performed for an employer and that employes or helpers of the employe are to be deemed employes only of the employer for whom the service utilmately is being performed.

exchange of labor shall be deemed farming. Operation of such premises shall be deemed to include also any other activities commonly considered to be farming whether conducted on or off such premises by the farm operator.

102.05 Election by employer, withdrawal.[7] (1) Such election to become subject to the act on the part of the employer shall be made by filing with the commission, a written statement that he accepts the provisions of this chapter. The filing of such statement shall operate to subject such employer to its provisions, unless he shall file in the office of said commission a notice that he desires to withdraw his election, which withdrawal shall take effect thirty days after the date of such filing or at such later date as may be specified in the notice. Unless such withdrawal is filed the employer shall remain subject to the act, except that an employer who shall have had no employe at any time within a continuous period of 2 years shall be deemed to have effected withdrawal which shall be effective on the last day of such period. Such employer, however, shall again become subject to the act if at any time subsequent to such period of no employment he shall have 3 or more employes as provided in subsection (2), except as he may have elected not to accept the provisions of the act as provided in subsection (2).[8]

(2) If any employer shall at any time have three or more employes, whether in one or more trades, businesses, professions or occupations, and whether in one or more locations, he shall be deemed to have elected to accept the provisions of this chapter, unless prior to that time such employer shall have filed with the commission a notice in writing that he elects not to accept the provisions hereof. Such employer may withdraw in the manner provided in

[7] Application of the law is compulsory for employers who usually employ three or more employes in the course of a trade, business, profession or occupation, with the exception of farmers. The state and its civil subdivisions have always been compulsorily subject. Employers who *usually* employ fewer than three employes may nevertheless become subject to the workmen's compensation act as provided in 102.05 (2).

[8] An employer who has withdrawn by lapse of time during which he has no employes will again become subject to the act if at any time subsequently he shall have three or more employes as provided in subsection (2) except as he may have previously elected not to accept the provisions of the act as provided in subsection (2).

subsection (1). This subsection shall not apply to farmers or to farm labor. Members of partnerships shall not be counted as employes under this subsection.

(3) Any employer who shall enter into a contract for the insurance of compensation, or against liability therefor, shall be deemed thereby to have elected to accept the provisions of this chapter, and such election shall include farm laborers, domestic servants and employes not in the course of a trade, business, profession or occupation of the employer if such intent is shown by the terms of the policy. Such election shall remain in force until withdrawn in the manner provided in subsection (1)..[9]

(4) Any person engaged in farming who has become subject to this chapter may withdraw by filing with the commission a notice of withdrawal, providing he has not employed 6 or more employes as defined by s. 102.07 (5) on 20 or more days during the current or previous calendar year. Such withdrawal shall be effective 30 days after the date of receipt by the commission, or at such later date as is specified in the notice. Such person may again become subject to this chapter as provided by s. 102.04 (1) (c) and (d).

102.06 Joint liability of employer and contractor. An employer shall be liable for compensation to an employe of a contractor or subcontractor under him who is not subject to this chapter, or who has not complied with the conditions

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[9] An employer who usually employs fewer than three employes may nevertheless become subject to the workmen's compensation act in any of three different ways: (1) by filing with the industrial commission a written statement of his election; (2) by *employing* three or more persons at any time, without previously having filed a notice of non-election with the industrial commission; (employment of three persons for a single *moment*, although some of these employes may have been only casual employes, is sufficient. *Stapleton Cheese Co. vs. Ind. Comm.*, 249 Wis. 133. (3) by securing a workmen's compensation insurance policy.

Commercial threshermen, clover hullers, silo fillers, corn shredders, and other employers who work for farmers are not considered to be engaged in farming operations and become subject to the act as do other non-farming employers. An employer who has once become subject to the compensation act remains subject thereafter so long as he employs even one person, or until he effects withdrawal by filing a written notice with the Industrial Commission or by lapse of two years with no employe in service. Employers who usually employ three or more in the course of a trade, business, profession or occupation (except farmers) cannot withdraw since they are compulsorily subject to the act.

of section 102.28 (2) in any case where such employer would have been liable for compensation if such employe had been working directly for him, including also work in the erection, alteration, repair or demolition of improvements or of fixtures upon premises of such employer which are used or to be used in the operations of such employer.[10] The contractor or subcontractor (if he is subject to the workmen's compensation act) shall also be liable for such compensation, but the employe shall not recover compensation for the same injury from more than one party. In the same manner, under the same conditions, and with like right of recovery, as in the case of an employe of a contractor or subcontractor, described above, an employer shall also be liable for compensation to an employe who has been loaned by him to another employer. The employer who becomes liable for and pays such compensation may recover the same from such contractor, subcontractor or other employer for whom the employe was working at the time of the injury if such contractor, subcontractor or other employer was an employer as defined in section 102.04.

102.07 Employe defined. "Employe" as used in this chapter means:

(1) Every person, including all officials, in the service of the state, or of any municipality therein whether elected or under any appointment, or contract of hire, express or implied, and whether a resident or employed or injured within or without the state. The state and any municipality may require a bond from a contractor to protect it against compensation to employes of such contractor or employes of a subcontractor under him.

(2) Any peace officer shall be considered an employe while engaged in the enforcement of peace or in the pursuit and capture of those charged with crime.

(3) Nothing herein contained shall prevent municipalities from paying teachers, policemen, firemen and other

[10] This provision is not intended to limit the other provisions of this section, but to make clear that if work is being performed under the circumstances stated, liability will exist against the principal employer as provided. The intent is to provide for broader coverage of contractor employes than obtains under decisions which the court has rendered, as in the case of *City of Hudson vs. Industrial Commission*, 241 Wis. 476.

employes full salaries during disability, nor interfere with any pension funds, nor prevent payment to teachers, policemen or firemen therefrom.

(4) Every person in the service of another under any contract of hire, express or implied, all helpers and assistants of employes, whether paid by the employer or employe, if employed with the knowledge, actual or constructive, of the employer, including minors (who shall have the same power of contracting as adult employes), but not including (a) domestic servants (b) any person whose employment is not in the course of a trade, business, profession or occupation of his employer, unless as to any of said classes, such employer has elected to include them. Item (b) shall not operate to exclude an employe whose employment is in the course of any trade, business, profession or occupation of his employer, however casual, unusual, desultory or isolated any such trade, business, profession or occupation may be.[11]

(5) For the purpose of determining the number of employes to be counted under s. 102.04 (1) (c), but for no other purpose, the following definitions shall apply:

(a) Farmers or their employes working on an exchange basis shall not be deemed employes of a farmer to whom their labor is furnished in exchange.

(b) The parents, spouse, child, brother, sister, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law of a farmer shall not be deemed his employes.

(6) Every person selling or distributing newspapers or magazines on the street or from house to house. Such a person shall be deemed an employe of each independent news agency which is subject to this chapter, or (in the absence of such agencies) of each publisher's (or other intermediate) selling agency which is subject to this chapter, or (in the absence of all such agencies) of each publisher, whose newspapers or magazines he sells or distributes. Such a person shall not be counted in determining whether an intermediate agency or publisher is subject to this chapter.

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[11] Persons who engage in any business undertaking, however limited as to time or magnitude, will become subject to the compensation act when three persons are employed.

(7) Every * * * member of any volunteer fire company or fire department organized under * * * ch. 213 *or any legally organized rescue squad* shall be deemed an employe of such company * * *, department *or squad. Every such member, while serving as an auxiliary policeman at an emergency, shall also be deemed an employe of said company, department or squad.* If such company * * *, department *or squad* has not insured its liability for compensation to its employes, the municipality or county within which such company * * * department *or squad* was organized shall be liable for such compensation.[12]

(8) Every independent contractor who does not maintain a separate business and who does not hold himself out to and render service to the public, provided he is not himself an employer subject to this chapter or has not complied with the conditions of subsection (2) of section 102.28, shall for the purpose of this chapter be an employe of any employer under this chapter for whom he is performing service in the course of the trade, business, profession or occupation of such employer at the time of the injury.[13]

(9) Members of the national and state guards, when in state service performing official duty under direction of appropriate authority, but only in case Federal laws, rules or regulations provide no benefits substantially equivalent to those provided in this chapter.

(10) Further to effectuate the policy of the state that the benefits of this chapter shall extend and be granted to employes in the service of the state, or of any municipality therein on the same basis, in the same manner, under the same conditions, and with like right of recovery as in the case of employes of persons, firms or private corporations, any question whether any person is an employe under this chapter shall be governed by and determined under the

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[12] Volunteer firemen and members of rescue squads are to be considered employes and entitled to benefits in event of injury. However, if the volunteer fire company has not been organized under provisions of Chapter 213 the members are not employes unless their status may be determined to be such under general provisions. If the company or department has not insured liability of its members the municipality becomes liable for compensation.

[13] The effect is to cover independent contractors as defined in the same manner as though they were regular employes, and for the purposes of the act to constitute them as statutory employes.

See text Sec. 22.01, defining certain civil defense workers as employes subject to the act with limitations.

same standards, considerations, and rules of decision in all cases under subs. (1) to (9). Any statutes, ordinances, or administrative regulations which may be otherwise applicable to the classes of employes enumerated in sub. (1) shall not be controlling in deciding whether any person is an employe for the purposes of this chapter.

102.08 Nonelection by epileptics, blind persons, corporation officers. Epileptics and persons who are totally blind may elect not to be subject to the provisions of this chapter for injuries resulting because of such epilepsy or blindness and still remain subject to its provisions for all other injuries. Officers of corporations may also elect not to be subject to the provisions of this chapter. Such elections shall be made by giving notice to the employer in writing on a form to be furnished by the industrial commission, and filing a copy of such notice with the industrial commission. An election may be revoked by giving written notice to the employer of revocation, and such revocation shall be effective upon filing a copy of such notice with the industrial commission.

102.11 Earnings, method of computation.[14] (1) The average weekly earnings for temporary disability shall be taken at not less than $12.50 nor more than * * * *$97.15, resulting*

[14] The intent of this provision is that earnings on a normal full time basis shall be the basis for payment of compensation. Where board, lodging, or apprenticeship instruction is furnished the employe as a part of the consideration, the fair value of these benefits is to be added to the money wage in computing the compensation due. Any bonus, tip or premium is also part of the wage and must be reported as such by the employer in the first report of accident (Form WC-12).

Where the worker at the time of injury is working part time, his wage is to be extended to a normal full time basis by multiplying the hourly basis by the number of hours of the full time working day for the employment involved, and by multiplying the daily earnings by the number of days and fractional days normally worked per week at the time of the injury in the business operation of the employer for the particular employment in which the employe was engaged at the time of his injury. Special treatment is provided for seasonal employment. Seasonal employment is defined as employment which can be conducted only during certain times of the year, and in no event is such employment to be considered seasonal if it extends over a period of more than 14 weeks within a calendar year.

In the case of persons performing service without fixed earnings, usual going earnings paid for similar services on a normal full time basis in the same or similar employment are to be utilized.

In no case is less than actual average weekly earnings to be taken, provided the injured has worked within each week of at least six calendar

in a weekly compensation rate of $68; for permanent total disability or death at not less than $20 nor more than * * * *$97.15, resulting in a maximum weekly compensation rate of $68 for permanent total disability and $48.57½ for death benefits;* and for permanent partial disability at not less than $20 nor more than * * * *$65.72, resulting in a maximum weekly compensation rate of $46.* Between said limits the average weekly earnings shall be determined as follows:[15]

(a) Daily earnings shall mean the daily earnings of the employe at the time of the injury in the employment in which he was then engaged. In determining daily earnings under this paragraph, overtime shall not be considered. If at the time of the injury the employe is working on part time for the day, his daily earnings shall be arrived at by dividing the amount received, or to be received by him for such part time service for the day, by the number of hours and fractional hours of such part time service, and multiplying the result by the number of hours of the normal full time working day for the employment involved. The words "part time for the day" shall apply to Saturday half days and all other days upon which the employe works less than normal full time working hours. The average weekly earnings shall be arrived at by multiplying the daily earnings

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weeks during the year before his injury in the business in the kind of employment and for the employer for whom he worked when injured. Except for this provision, overtime is not taken into consideration.

The court has held that where a given number of hours per week are worked the total number of hours is to be taken and that "premium" wage is to be considered in determining weekly wage for compensation purposes. "Overtime" means only time beyond the number of hours usually worked by the employe, and not merely hours during which base normal wage is paid.

In no case shall average weekly earnings be less than 30 times normal hourly earnings at the time of injury.

Average annual earnings are not to be taken at less than actual annual earnings of the employe during the year immediately preceding the injury in the employment in which he worked at the time of injury.

[15] This amendment was effected by Chapter 166, Laws of 1965, effective August 1, 1965. Maximum for temporary disability, permanent total disability, and death is changed from a wage of $91.43 to $97.15, with compensation of $68 instead of $64. Compensation for permanent partial disability is increased to a maximum of $46 based upon a wage of $65.72 or more. There is no change in minimum wage, which remains at $12.50 for temporary disability, with compensation of $8.75 and $20 wage for permanent disability and death, with compensation at $14.

by the number of days and fractional days normally worked per week at the time of the injury in the business operation of the employer for the particular employment in which the employe was engaged at the time of his injury.

(b) In case of seasonal employment, average weekly earnings shall be arrived at by the method prescribed in paragraph (a), except that the number of hours of the normal full time working day and the number of days of the normal full time working week shall be such hours and such days in similar service in the same or similar non-seasonal employment. Seasonal employment shall mean employment which can be conducted only during certain times of the year, and in no event shall employment be considered seasonal if it extends during a period of more than fourteen weeks within a calendar year.

(c) In the case of persons performing service without fixed earnings, or where normal full time days or weeks are not maintained by the employer in the employment in which the employe worked when injured, or where, for other reason, earnings cannot be determined under the methods prescribed by paragraph (a) or (b), the earnings of the injured person shall, for the purpose of calculating compensation payable under this chapter, be taken to be the usual going earnings paid for similar services on a normal full time basis in the same or similar employment in which earnings can be determined under the methods set out in paragraph (a) or (b).

(d) Except in situations where paragraph (b) applies, average weekly earnings shall in no case be less than actual average earnings of the employe for the calendar weeks during the year before his injury within which the employe has been employed in the business, in the kind of employment and for the employer for whom he worked when injured. Calendar weeks within which no work was performed shall not be considered under this provision. This paragraph shall be applicable only if the employe has worked within each week of at least six calendar weeks during the year before his injury in the business, in the kind of employment and for the employer for whom he worked when injured.

(e) Where any things of value are received in addition to monetary earnings as a part of the wage contract, they shall be deemed a part of earnings and computed at the value thereof to the employe.

(f) Average weekly earnings shall in no case be less than 30 times the normal hourly earnings, at the time of injury, provided that for injury occurring before September 1, 1947, they shall not be less than 40 times such earnings.

(g) If an employe is under twenty-seven years of age, his average weekly earnings on which to compute the benefits accruing for permanent disability or death shall be determined on the basis of the earnings that such employe, if not disabled, probably would earn after attaining the age of twenty-seven years. Unless otherwise established, said earnings shall be taken as equivalent to the amount upon which maximum weekly indemnity is payable.

(2) The average annual earnings when referred to in this chapter shall consist of 50 times the employe's average weekly earnings. Subject to the maximum limitation, average annual earnings shall in no case be taken at less than the actual earnings of the employe in the year immediately preceding his injury in the kind of employment in which he worked at the time of injury.

(3) The weekly wage loss referred to in this chapter, except under subsection (6) of section 102.60, shall be such percentage of the average weekly earnings of the injured employe computed according to the provisions of this section, as shall fairly represent the proportionate extent of the impairment of his earning capacity in the employment in which he was working at the time of the injury, and other suitable employments, the same to be fixed as of the time of the injury, but to be determined in view of the nature and extent of the injury.

102.12 Notice of injury, exception, laches. No claim for compensation shall be maintained unless, within 30 days after the occurrence of injury or within 30 days after the employe knew or ought to have known the nature of his disability and its relation to his employment, actual notice was received by the employer or by an officer, man-

ager or designated representative of an employer. If no representative has been designated by posters placed in one or more conspicous places, then notice received by any superior shall be sufficient. Absence of notice shall not bar recovery if it is found that the employer was not misled thereby. Regardless of whether notice was received, if no payment of compensation (other than medical treatment or burial expense) is made, and no application is filed with the commission within 2 years from the date of the injury or death, or from the date the employe or his dependent knew or ought to have known the nature of the disability and its relation to the employment, the right to compensation therefor shall be barred, except that the right to compensation shall not be barred if the employer knew or should have known, within the 2-year period, that the employe had sustained the injury on which claim is based. Issuance of notice of a hearing on the commission's own motion shall have the same effect for the purposes of this section as the filing of an application.

102.13 Examination by physician, competent witnesses, exclusion of evidence, autopsy. (1) Whenever compensation is claimed by any employe, he shall, upon the written request of his employer, submit to reasonable examination by a physician, provided and paid for by the employer, and shall likewise submit to examination from time to time by any physician selected by said commission, or a member or examiner thereof. The employe shall be entitled to have a physician, provided by himself, present at any such examination. So long as the employe, after such written request of the employer, shall refuse to submit to such examination, or shall in any way obstruct the same, his right to begin or maintain any proceeding for the collection of compensation shall be suspended; and if he shall refuse to submit to such examination after direction by the commission, or any member or examiner thereof, or shall in any way obstruct the same, his right to the weekly indemnity which shall accrue and become payable during the period of such refusal or obstruction, shall be barred. Any physician who shall be present at any such examination may be required to testify as to the results thereof. Any physician having at-

tended an employe may be required to testify before the commission when it shall so direct. Notwithstanding any other statutory provisions, any physician attending a workmen's compensation claimant may furnish to the employe, employer, workmen's compensation insurance carrier, or the commission information and reports relative to a compensation claim.[16] The testimony of any physician or surgeon who is licensed to practice where he resides or practices outside the state, may be received in evidence in compensation proceedings.

(2) The commission may refuse to receive testimony as to conditions determined from an autopsy if it appears (a) that the party offering the testimony had procured the autopsy and had failed to make reasonable effort to notify at least one party in adverse interest or the commission at least twelve hours before said autopsy of the time and place it would be performed, or (b) that the autopsy was performed by or at the direction of the coroner for purposes not authorized by chapter 966. The commission may in its discretion withhold findings until an autopsy is held in accordance with its directions.

102.14 Jurisdiction; advisory committee. (1) This chapter shall be administered by the commission.

(2) The commission shall appoint an advisory committee on workmen's compensation which shall consist of a member of the industrial commission or someone designated by the commission, who shall serve as chairman, with 5 representatives of employers and 5 representatives of employes. Such committee shall submit its recommendations with respect to amendments to this chapter to each regular session

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[16] Physicians, under general statutory provisions, are not allowed to disclose information which they may acquire while attending a patient in their professional character. A physician who attends a workmen's compensation claimant is privileged to furnish to the employe, employer, workmen's compensation insurance carrier, or the commission information and reports relative to a compensation claim. It is a practical necessity that physicians attending injured workmen be permitted to furnish information to the commission upon which compensation can be based. Physicians will not be required, however, to disclose confidential communications communicated to them for the purpose of treatment unless such information is necessary to a proper disposition of the claim. The commission regards the physician who treats the injured workman at the request of the employer to all intents and purposes as the physician of the injured man. His testimony before the commission should be absolutely fair, factual and unbiased.

of the legislature and shall report its views upon any pending bill relating to this chapter to the proper legislative committee. The commission shall also appoint 3 nonvoting representatives of casualty insurance companies to sit with the committee in an advisory capacity.

102.15 Rules of procedure; transcripts. (1) Subject to the provisions of this chapter, the commission may adopt its own rules of procedure and may change the same from time to time.

(2) The commission may provide by rule the conditions under which transcripts of testimony and proceedings shall be furnished.

102.16 Submission of disputes, contributions by employes. (1) Any controversy concerning compensation, including any in which the state may be a party, shall be submitted to said commission in the manner and with the effect provided in this chapter. Every compromise of any claim for compensation may be reviewed and set aside, modified or confirmed by the commission within one year from the date such compromise is filed with the commission, or from the date an award has been entered, based thereon, or the commission may take such action upon application made within such year. Unless the word "compromise" appears in a stipulation of settlement, the settlement shall not be deemed a compromise, and further claim shall not be barred except as provided in s. 102.17 (4) irrespective of whether award is made. The employer or insurer shall have equal rights with the employe to have review of a compromise. Upon petition filed by the employer or insurer with the commission within one year from any award upon a stipulation of settlement the commission shall have power to set aside said award or otherwise determine the rights of the parties.[17]

[17] Unless a genuine compromise is made and approved by the commission, the applicant will not be foreclosed except by the six year limitation. Unless dispute arises, parties should not attempt to make "compromise" agreements but should stipulate facts without making use of the word "compromise." In case of a stipulation of settlement (not compromise) the employer's right to review is extended to one year from the date of award, leaving the employe's right for review the same as heretofore, that is, 6 years from the date of the last payent of compensation under the stipulation.

(2) The commission shall have jurisdiction to pass upon the reasonableness of medical and hospital bills in all cases of dispute where compensation is paid, in the same manner and to the same effect as it passes upon compensation.

(3) No employer subject to the provisions of this chapter shall solicit, receive or collect any money from his employes or make any deduction from their wages, either directly or indirectly, for the purpose of discharging any liability under the provisions thereof; nor shall any such employer sell to an employe, or solicit or require him to purchase medical or hospital tickets or contracts for medical, surgical, or hospital treatment required to be furnished by such employer.

(4) Any employer violating subsection (3) shall be subject to the penalties provided in subsection (3) of section 102.28, and, in addition thereto, shall be liable to an injured employe for the reasonable value of the necessary services rendered to such employe pursuant to any arrangement made in violation of subsection (3) of this section without regard to said employe's actual disbursements for the same.

102.17 Procedure; notice of hearing; witnesses, contempt; testimony, medical examination.[18] (1) (a) Upon the filing with the commission by any party in interest of any application in writing stating the general nature of any claim as to which any dispute or controversy may have arisen, it shall mail a copy of such application to all other parties in interest and the insurance carrier shall be deemed a party in interest. The commission may bring in additional parties by service of a copy of the application. The commission shall fix a time for the hearing on such application which shall not be more than 40 days after the filing of such application. The commission shall cause no-

[18] The practice before the commission follows substantially the practice in courts of equity. The purpose is to secure the facts in as direct and simple a manner as possible. Parties will aid the commission and make the administration of the act less expensive by stipulating all the facts not in dispute. In practice the commission mails copies of its awards to both parties. If a mistake is found, the commission may correct it upon having its attention called to the matter within twenty days after the date of the award. A complete statement of the rules of practice adopted by the commission in the administration of the compensation act is set forth at the back of this pamphlet.

tice of such hearing, to be given to each party interested, by service of such notice on him personally or by mailing a copy thereof to him at his last known post-office address at least 10 days before such hearing. In case a party in interest is located without the state, and has no post-office address within this state, the copy of the application and copies of all notices shall be filed in the office of the secretary of state and shall also be sent by registered mail to the last known post-office address of such party. Such filing and mailing shall constitute sufficient service, with the same force and effect as if served upon a party located within this state. Such hearing may be adjourned from time to time in the discretion of the commission, and hearings may be held at such places as the commission shall designate, within or without the state. The commission may also arrange to have hearing held by the commission, officer, or tribunal having authority to hear cases arising under the workmen's compensation law of any other state, of the District of Columbia, or of any territory of the United States, the testimony and proceedings at any such hearing to be reported to the commission and to be part of the record in the case. Any evidence so taken shall be subject to rebuttal upon final hearing before the commission.

(am) Either party shall have the right to be present at any hearing, in person or by attorney, or any other agent, and to present such testimony as may be pertinent to the controversy before the commission. No person, firm or corporation other than an attorney-at-law, duly licensed to practice law in the state, shall appear on behalf of any party in interest before the commission or any member or employe of the said commission assigned to conduct any hearing, investigation or inquiry relative to a claim for compensation or benefits under this chapter, unless he shall be a citizen of the United States, of full age, of good moral character and otherwise qualified, and shall have obtained from the commission a license authorizing him to appear in matters or proceedings before the commission. Such license shall be issued by the commission under rules to be adopted by it. In such rules the commission may prescribe such reasonable tests of character and fitness as it may deem

necessary. There shall be maintained in the office of the commission a registry or list of persons to whom licenses have been issued as provided herein, which list shall be corrected as often as licenses are issued or revoked. Any such license may be suspended or revoked by the commission for fraud or serious misconduct on the part of any such agent. Before suspending or revoking the license of any such agent, the commission shall give notice in writing to such agent of the charges of fraud or misconduct preferred against him, and shall give such agent full opportunity to be heard in relation to the same. Such license and certificate of authority shall, unless otherwise suspended or revoked, be in force from and after the date of issuance until the thirtieth day of June following such date of issuance and may be renewed by the commission from time to time, but each renewed license shall expire on the thirtieth day of June following the issuance thereof.[19]

(as) The contents of verified medical and surgical reports, by physicians and surgeons licensed in and practicing in Wisconsin, presented by claimants for compensation shall constitute prima facie evidence as to the matter contained therein, subject to such rules and such limitations as the commission prescribes.[20] So, also, shall such reports of physicians and surgeons, wherever licensed and practicing, to whom the claimant had been sent for examination or treatment by the employer or insurer, provided that such doctor consents to subject himself to cross-examination. Physicians and surgeons licensed in and practicing in Wisconsin may certify instead of verify such reports, and such certification shall be equivalent to verification; and any physician or surgeon who knowingly makes a false statement of fact or opinion in such certified report may be fined or imprisoned or both under s. 943.39. The record of a hos-

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[19] Any person other than a Wisconsin attorney who wishes to represent parties in compensation hearings is required to obtain a license under rules formulated by the Industrial Commission. Rules will be found under the Rules of Practice in this pamphlet.

[20] The purpose of this provision is to equalize to a degree the opportunity for parties to present pertinent testimony. The cost of appearance of medical witnesses is, at times, prohibitive to employes. Under this provision, the burden of producing the physicians for cross-examination desired is imposed upon the employer or insurance company.

pital or sanatorium in Wisconsin operated by any department, agency, or municipality of the federal or state government, or of any other hospital or sanatorium in Wisconsin which is satisfactory to the commission, established by certificate, affidavit, or testimony of the supervising officer or other person having charge of such records, or of a physician or surgeon, to be such record of the patient in question, and made in the regular course of examination or treatment of such patient, shall constitute prima facie evidence in any workmen's compensation proceeding as to the matter contained therein, insofar as it is otherwise competent and relevant.[21]

(b) The commission may, with or without notice to either party, cause testimony to be taken, or an inspection of the premises where the injury occurred to be had, or the time books and payrolls of the employer to be examined by any member of the commission or any examiner appointed by it, and may from time to time direct any employe claiming compensation to be examined by a regular physician; the testimony so taken, and the results of any such inspection or examination, to be reported to the commission for its consideration upon final hearing. All ex parte testimony taken by the commission shall be reduced to writing and either party shall have opportunity to rebut the same on final hearing.

(bm) Section 326.12 shall not apply to proceedings under this act, except as to a witness:

1. Who is beyond the reach of a subpoena of a commissioner or examiner; or

2. Who is about to go out of the state, not intending to return in time for the hearing; or

3. Who is so sick, infirm or aged as to make it probable that he will not be able to attend the hearing; or

4. Who is a member of the legislature, if any committee

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[21] It must be shown that the record was made in the regular course of examination or treatment of the patient. The record then constitutes prima facie evidence insofar as it may otherwise be competent and relevant.

of the same or the house of which he is a member is in session, provided he waives his privilege.[22]

(c) Whenever the testimony presented at any hearing indicates a dispute, or is such as to create doubt, as to the extent or cause of disability or death, the commission may direct that the injured employe be examined or autopsy be performed, or an opinion of a physician be obtained without examination or autopsy, by an impartial, competent physician designated by the commission who is not under contract with or regularly employed by a compensation insurance carrier or self-insured employer. The expense of such examination shall be paid by the employer. The report of such examination shall be transmitted in writing to the commission and a copy thereof shall be furnished by the commission to each party who shall have an opportunity to rebut the same on further hearing.

(2) If the commission shall have reason to believe that the payment of compensation has not been made, it may on its own motion give notice to the parties, in the manner provided for the service of an application, of a time and place when a hearing will be had for the purpose of determining the facts. Such notice shall contain a statement of the matter to be considered. Thereafter all other provisions governing proceedings on application shall attach insofar as the same may be applicable.

(3) Any person who shall wilfully and unlawfully fail or neglect to appear or to testify or to produce books, papers and records as required, shall be fined not less than twenty-five dollars nor more than one hundred dollars, or imprisoned in the county jail not longer than thirty days.

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[22] This permits examination of a witness beyond reach of the subpoena of a commissioner or examiner, or when a witness shall be about to go out of the state not intending to return in time for hearing, or when he shall be so sick or infirm or aged as to make it probable that he will not be able to attend hearing, or in case of a member of the legislature, if a committee or house of which he is a member is in session, provided the member is willing to waive his privilege. In other cases adverse examination before hearing is not permissible. This insures a minimum of delay and expense, and that as far as possible all proceedings are to be had before the Industrial Commission, which has necessary machinery and personnel to insure prompt and proper procedure with little or no expense to the parties. See Sec. 326.07.

Each day such person shall so refuse or neglect shall constitute a separate offense.[23]

(4) The right of an employe, his legal representative or dependent to proceed under this section shall not extend beyond 6 years from the date of the injury or death or from the date that compensation (other than medical treatment or burial expenses) was last paid, or would have been last payable if no advancement were made, whichever date is latest, except that in case of injury or death caused by exposure to ionized radiation the right to proceed hereunder shall be subject to no time limitations.[24]

(5) This section does not limit the time within which the state may bring an action to recover the amounts specified in subsection (5) of section 102.49 and section 102.59.

(6) If an employe or dependent shall, at the time of injury, or at the time his right accrues, be under 21 years of age, the limitations of time within which he may file application or proceed under this chapter, if they would otherwise sooner expire, shall be extended to one year after he attains the age of 21 years. If, within any part of the last year of any such period of limitation, an employe, his personal representative, or surviving dependent be insane or on active duty in the armed forces of the United States such period of limitation shall be extended to two years after the date that the limitation would otherwise expire. The provision hereof with respect to persons on active duty in the armed forces of the United States shall apply only where no applicable federal statute is in effect.

102.18 Findings and award. (1) After final hearing the commission shall make and file its findings upon all the facts involved in the controversy, and its order, which shall state its determination as to the rights of the parties. Pending the final determination of any controversy before it, the commission may after any hearing make interlocutory findings, orders and awards which may be enforced in

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[23] See also Sec. 325.12.

[24] This makes clear that even though an advancement or lump sum is granted the time for proceeding is not cut down but is limited only by a period of 6 years from the date that compensation would have been last payable if no advancement or lump payment had been made.

the same manner as final awards. The commission may include in its final award, as a penalty for noncompliance with any such interlocutory order or award, if it shall find that noncompliance was not in good faith, not exceeding twenty-five per cent of each amount which shall not have been paid as directed thereby. Where there is a finding that the employe is in fact suffering from an occupational disease caused by the employment of the employer against whom the application is filed, a final award dismissing such application upon the ground that the applicant has suffered no disability from said disease shall not bar any claim he may thereafter have for disability sustained after the date of said award.[25]

(2) The industrial commission may authorize a commissioner or examiner to make findings and orders, and to review, set aside, modify or confirm compromises of claims for compensation under rules to be adopted by the commissioner. Any party in interest who is dissatisfied with the findings or order of a commissioner or examiner may file a written petition with the industrial commission as a commission to review the findings or order.

(3) If no petition is filed within twenty days from the date that a copy of the findings or order of the commissioner or examiner was mailed to the last known address of the parties in interest, such findings or order shall be considered the findings or order of the industrial commission as a body, unless set aside, reversed or modified by such commissioner or examiner within such time. If the findings or order are set aside by the commissioner or examiner the status shall be the same as prior to the findings or order set aside. If the findings or order are reversed or modified by the commissioner or examiner the time for filing petition with the commission shall run from the date that notice of such reversal or modification is mailed to the last known address of the parties in interest. Within ten days after the filing of such petition with the commission the commission shall

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[25] This provision prevents the final closing of a claim for occupational disease in those cases in which no showing of disability can be made to the time of the commission's order but in which disability may develop at a date following such order. Secs. 102.12 and 102.17 still apply however.

either affirm, reverse, set aside or modify such findings or order in whole or in part, or direct the taking of additional testimony. Such action shall be based on a review of the evidence submitted. If the commission is satisfied that a party in interest has been prejudiced because of exceptional delay in the receipt of a copy of any findings or order it may extend the time another twenty days for filing petition with the commission.[26]

(4) The commission shall have power to remove or transfer the proceedings pending before a commissioner or examiner. It may also on its own motion, set aside, modify or change any order, findings or award (whether made by an individual commissioner, an examiner or by the commission as a body) at any time within twenty days from the date thereof if it shall discover any mistake therein, or upon the grounds of newly discovered evidence. Unless the liability under sections 102.49, 102.57, 102.58, 102.59, 102.60 and 102.61 is specifically mentioned, the order, findings or award shall be deemed not to affect such liability.

(5) If it shall appear to the commission that a mistake may have been made as to cause of injury in the findings, order, or award upon an alleged injury based on accident, when in fact the employe was suffering from an occupational disease, the commission may upon its own motion, with or without hearing, within three years from the date of such findings, order, or award, set aside such findings, order, or award, or the commission may take such action upon application made within such three years. Thereafter, and after opportunity for hearing, the commission may, if in fact the employe is suffering from disease arising out of the employment, make new findings and award, or it may reinstate the previous findings, order or award.[27]

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[26] In order that undue delay in decision may not result, simple and summary procedure under this provision becomes essential. This is especially true because the law provides, in case of decision by an individual examiner or commissioner, for three appeals, one to the full commission, one to the Circuit Court of Dane County, and one to the Supreme Court. See Ind 80.19.

[27] If the commission finds that a mistake has been made as to the cause of injury, mistakenly determined to be on the basis of accident when in fact an employe was suffering from an occupational disease, the commission may with or without hearing within three years from the date of the erroneous findings set aside the order. Likewise the commission may take such action upon application made within such three years.

(6) In case of disease arising out of the employment, the commission may from time to time review its findings, order, or award, and make new findings, order, or award, based on the facts regarding disability or otherwise as they may then appear. This subsection shall not affect the application of the limitation in 102.17 (4).[28]

102.19 Alien dependents; payments through consular officers. In case a deceased employe, for whose injury or death compensation is payable, leaves surviving him alien dependents residing outside of the United States, the duly accredited consular officer of the country of which such dependents are citizens or his designated representative residing within the state shall, except as otherwise determined by the commission, be the sole representative of such deceased employe and of such dependents in all matters pertaining to their claims for compensation. The receipt by such officer or agent of compensation funds and the distribution thereof shall be made only upon order of the commission, and payment to such officer or agent pursuant to any such order shall be a full discharge of the benefits or compensation. Such consular officer or his representative shall furnish, if required by the commission, a bond to be approved by it, conditioned upon the proper application of all moneys received by him. Before such bond is discharged, such consular officer or representative shall file with the commission a verified account of the items of his receipts and disbursements of such compensation. Such consular officer or representative shall make interim reports to the commission as it may require.

102.195 In case an employe is adjudged insane or incompetent, or convicted of a felony, and is confined in a public institution and has wholly dependent upon him for support a person, whose dependency is determined as if the employe were deceased, compensation payable during the period of his confinement may be paid to the employe and his de-

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[28] Disability and required treatment from disease are often so unpredictable that an automatic reservation to review these cases seems desirable to prevent injustice. In all cases the six year statute of limitation forecloses further action. Within the six year period, however, the time is extended as provided.

pendents, in such manner, for such time and in such amount as the commission by order provides.

102.20 Judgment on award. Either party may present a certified copy of the award to the circuit court for any county, whereupon said court shall, without notice, render judgment in accordance therewith; such judgment shall have the same effect as though rendered in an action tried and determined by said court, and shall, with like effect, be entered and docketed.

102.21 Payment of awards by municipalities. Whenever an award is made by the commission under this chapter or s. 66.191 against any municipality, the person in whose favor it is made shall file a certified copy thereof with the municipal clerk. Within twenty days thereafter, unless an appeal is taken, such clerk shall draw an order on the municipal treasurer for the payment of the award. If upon appeal such award is affirmed in whole or in part the order for payment shall be drawn within ten days after a certified copy of such judgment is filed with the proper clerk. If more than one payment is provided for in the award or judgment, orders shall be drawn as the payments become due. No statute relating to the filing of claims against, and the auditing, allowing and payment of claims by municipalities shall apply to the payment of an award or judgment under this section.

102.22 Penalty for delayed payments. If the sum ordered by the commission to be paid shall not be paid when due, such sum shall bear interest at the rate of 6 per cent per annum. The state of Wisconsin shall be liable for such interest on awards issued against it under this chapter. The commission shall have jurisdiction to issue award for payment of such interest at any time within one year of the date of its order or upon appeal within one year after final court determination. Where the employer or his insurer is guilty of inexcusable delay in making payments, the payments as to which such delay is found shall be increased by 10 per cent. Where such delay is chargeable to the employer

and not to the insurer s. 102.62 shall be applicable and the relative liability of the parties shall be fixed and discharged as therein provided.[29]

102.23 Judicial review.[30] (1) The findings of fact made by the commission acting within its powers shall, in the absence of fraud, be conclusive; and the order or award, either interlocutory or final, whether judgment has been rendered thereon or not, shall be subject to review only in the manner and upon the grounds following: Within thirty days from the date of an order or award originally made by the commission as a body or following the filing of petition for review with the commission under section 102.18[31] any party aggrieved thereby may commence, in the Circuit Court for Dane County, an action against the commission for the review of such order or award, in which action the adverse party shall also be made defendant. In such action a complaint, which need not be verified, but which shall state the grounds upon which a review is sought, shall be served with the summons. Service upon the secre-

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[29] Withholding amounts unquestionably due because the injured man refuses to execute a release of his right to claim further benefits or for other reason will be regarded as inexcusable delay in the making of compensation payments.

[30] Comment by Legislative Committee of 1911: The finding of the board, in the absence of fraud, is made absolutely conclusive by this section. The award is reviewable only on three grounds: (1) That the board acted without or in excess of its power; (2) that the award was procured by fraud; (3) that the findings of fact by the board do not support the award. This review does not allow any retrial of the case as presented to the board. The facts found by the board are conclusive, and the review that is allowed in those cases where the findings of fact do not support the award, would occur only where the board had not given proper consideration to the act itself. In other words, the court will review only questions of law included in grounds 1 and 3 upon which an award may be reviewed. The fraud alluded to in the second ground will be only such as was perpetrated in procuring the award, and will not include false testimony of any party, because all such questions will be decided conclusively by the board. *Buehler Bros. v. Ind. Comm.*, 220 Wis. 371. The object of having the action to review brought against the board is twofold: (1) If any error is made it will be an error made by the board. Consequently, the board should defend its own action, and this will be done at the expense of the state; (2) To relieve the party in whose favor the award was made of the expense of litigation in the circuit and supreme courts. The commission defends its own orders.

[31] A party must petition the commission as a body for review of findings and order of an examiner before appealing to the Circuit Court of Dane County. Appeal to the court is always from an order of the commission as a body.

tary of the commission, or any member of the commission, shall be deemed completed service on all parties, but there shall be left with the person so served as many copies of the summons and complaint as there are defendants, and the commission shall mail one such copy to each other defendant. If the circuit court is satisfied that a party in interest has been prejudiced because of exceptional delay in the receipt of a copy of any findings or order it may extend the time another thirty days in which such action may be commenced. The commission shall serve its answer within twenty days after the service of the complaint, and, within the like time, such adverse party shall, if he so desires, serve his answer to said complaint, which answer may, by way of counterclaim or cross complaint, ask for the review of the order or award referred to in the complaint, with the same effect as if such party had commenced a separate action for the review thereof. With its answer, the commission shall make return to said court of all documents and papers on file in the matter, and of all testimony which may have been taken therein, and of its order, findings and award. Such return of the commission when filed in the office of the clerk of the circuit court shall, with the papers mentioned in section 270.72, constitute a judgment roll in such action; and it shall not be necessary to settle a bill of exceptions in order to make such return part of the record of such court in such action. Said action may thereupon be brought on for hearing before said court upon such record by either party on ten days' notice to the other; subject, however, to the provisions of law for a change of the place of trial or the calling in of another judge. Upon such hearing, the court may confirm or set aside such order or award; and any judgment which may theretofore have been rendered thereon; but the same shall be set aside only upon the following grounds:

(a) That the commission acted without or in excess of its powers.

(b) That the order or award was procured by fraud.

(c) That the findings of fact by the commission do not support the order or award.

(2) Upon the trial of any such action the court shall disregard any irregularity or error of the commission unless it be made to affirmatively appear that the plaintiff was damaged thereby.

(3) The record in any case shall be transmitted to the commission within 5 days after expiration of the time for appeal from the order or judgment of the court, unless appeal shall be taken from such order or judgment.

(4) Whenever an award is made against the state the attorney general may bring an action for review thereof in the same manner and upon the same grounds as are provided by subsection (1) hereof.

(5) The commencement of action for review shall not relieve the employer from paying compensation as directed, when such action involves only the question of liability as between the employer and one or more insurance companies or as between several insurance companies.

102.24 Remanding record. (1) Upon the setting aside of any order or award the court may recommit the controversy and remand the record in the case to the commission, for further hearing or proceedings; or it may enter the proper judgment upon the findings, as the nature of the case shall demand. An abstract of the judgment entered by the trial court upon the review of any order or award shall be made by the clerk thereof upon the docket entry of any judgment which may theretofore have been rendered upon such order or award and transcripts of such abstract may thereupon be obtained for like entry upon the dockets of the courts of other counties.

(2) After the commencement of an action to review any award of the commission the parties may have the record remanded by the court for such time and under such condition as they may provide, for the purpose of having the commission act upon the question of approving or disapproving any settlement or compromise that the parties may desire to have so approved. If approved the action shall be at an end and judgment may be entered upon the approval as upon an award. If not approved the record shall forthwith be returned to the circuit court and the action shall proceed as if no remand had been made.

102.25 Appeal from judgment on award. (1) Said commission, or any party aggrieved by a judgment entered upon the review of any order or award, may appeal therefrom within thirty days from the date of service by either party upon the other of notice of entry of judgment. However it shall not be necessary for said commission or any party to said action to execute, serve or file the undertaking required by section 274.11 (3) in order to perfect such appeal; but all such appeals shall be placed on the calendar of the supreme court and brought to a hearing in the same manner as state causes on such calendar. The state shall be deemed a party aggrieved, within the meaning of this subsection, whenever a judgment is entered upon such a review confirming any order or award against it. At any time before the case is set down for hearing in the supreme court, the parties may have the record remanded by the court to the industrial commission in the same manner and for the same purposes as provided for remanding from the circuit court to the industrial commission under section 102.24 (2).

(2) It shall be the duty of the clerk of any court rendering a decision affecting an award of the commission to promptly furnish the commission with a copy of such decision without charge.

102.26 Fees and costs. (1) No fees shall be charged by the clerk of any court for the performance of any service required by this chapter, except for the docketing of judgments and for certified transcripts thereof. In proceedings to review an order or award, costs as between the parties shall be in the discretion of the court, but no costs shall be taxed against the commission.

(2) Unless previously authorized by the commission, no fee shall be charged or received for the enforcement or collection of any claim for compensation, nor shall any contract therefor be enforcible, where such fee, inclusive of all taxable attorney's fees paid or agreed to be paid for such enforcement or collection, exceed 20 per cent of the amount at which such claim shall be compromised or of the amount awarded, adjudged or collected, except that in cases

of admitted liability where there is no dispute as to amount of compensation due and in which no hearing or appeal is necessary, the fee charged shall not exceed 10 per cent but not to exceed $100, of the amount at which such claim shall be compromised or of the amount awarded, adjudged or collected. The limitation as to fees shall apply to the combined charges of attorneys, solicitors, representatives and adjusters who knowingly combine their efforts toward the enforcement or collection of any compensation claim.

(2m) In any action for the recovery of costs of hospitalization in a tuberculosis sanatorium, where such cost was incurred by a patient whose tuberculosis entitled him to workmen's compensation, no attorney fee for the recovery of such cost shall be allowed to the attorney for such patient in such workmen's compensation action, unless, by express agreement with the governing board of such institution he has been retained by such governing board to also act as its attorney.

(3) Compensation in favor of any claimant, which exceeds $100, shall be made payable to such claimant in person; however, in any award the commission shall upon application of any interested party and subject to the provisions of sub. (2) fix the fee of his attorney or representative and provide in the award for payment of such fee direct to the person entitled thereto. At the request of the claimant medical expense, witness fees and other charges associated with the claim may be ordered paid out of the amount awarded. Payment according to the directions of the award shall protect the employer and his insurer from any claim of attorney's lien.

(4) The charging or receiving of any fee in violation of this section shall be unlawful, and the attorney or other person guilty thereof shall forfeit double the amount retained by him, the same to be collected by the state in an action in debt, upon complaint of the commission. Out of the sum recovered the court shall direct payment to the injured party of the amount of the overcharge.

102.27 Claims unassignable and exempt. No claim for compensation shall be assignable, but this provision shall

not affect the survival thereof; nor shall any claim for compensation, or compensation awarded, or paid, be taken for the debts of the party entitled thereto.

102.28 Preference of claim; workmen's compensation insurance. (1) The whole claim for compensation for the injury or death of any employe or any award or judgment thereon, and any claim for unpaid compensation insurance premiums shall be entitled to the same preference in bankruptcy or insolvency proceedings as is given by any law of this state or by the federal bankruptcy act to claims for labor, but this section shall not impair the lien of any judgment entered upon any award.

(2) An employer liable under this act to pay compensation shall insure payment of such compensation in some company authorized to insure such liability in this state unless such employer shall be exempted from such insurance by the industrial commission. An employer desiring to be exempt from insuring his liability for compensation shall make application to the industrial commission showing his financial ability to pay such compensation, and agreeing as a condition for the granting of the exemption to faithfully report all injuries under compensation according to law and the requirements of the commission and to comply with this act, and the rules of the commission pertaining to the administration thereof, whereupon the commission by written order may make such exemption. The commission may from time to time require further statement of financial ability of such employer to pay compensation and may upon ten days' notice in writing, for financial reasons or for failure of the employer to faithfully discharge his obligations according to the agreements contained in his application for exemption, revoke its order granting such exemption, in which case such employer shall immediately insure his liability. As a condition for the granting of an exemption the commission shall have authority to require the employer to furnish such security as it may consider sufficient to insure payment of all claims under compensation. Where the security is in the form of a bond or other personal guaranty, the commission may at any time either before or after the entry of an award, upon

at least ten days' notice and opportunity to be heard require the sureties to pay the amount of the award, the same to be enforced in like manner as the award itself may be enforced. Where an employer procures an exemption as herein provided and thereafter enters into any form of agreement for insurance coverage with an insurance company or inter-insurer not licensed to operate in this state, his conduct shall automatically operate as a revocation of such exemption. An order exempting an employer from insuring his liability for compensation shall be null and void if the application contains a financial statement which is false in any material respect.[32]

(3) An employer who shall fail to comply with the provisions of subsection (2) of section 102.28 shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than ten dollars nor more than one hundred dollars or by imprisonment in the county jail for not less than thirty days nor more than six months, or by both such fine and imprisonment. Each day's failure shall be a separate offense. Upon complaint of the commission, the fines specified in this section may be collected by the state in an action in debt.

(4) If it appears by the complaint or by the affidavit of any person in behalf of the state that the employer's liability continues uninsured there shall forthwith be served on the employer an order to show cause why he should not be restrained from employing any person in his business pending the proceedings or until he shall have satisfied the court in which the matter is pending that he has complied with the provisions of subsection (2) of this section. Such order to show cause shall be returnable before the court or the judge thereof at a time to be fixed in the order not less than twenty-four hours nor more than three days after its issuance. Insofar as the same may be applicable and not herein otherwise provided, the provisions of chapter 268 relative to injunctions shall govern these proceedings. If

[32] An employer who has fraudulently obtained exemption from insuring his liability under the workmen's compensation act is in the same position as an employer who fails to carry workmen's compensation insurance without securing exemption. The effect is to take away all the exemptions of such an employer in case of an injury to an employe and to render him liable to the penalties provided for failure to insure.

the employer denies under oath that he is subject to this act, and furnishes bond with such sureties as the court may require to protect all his employes injured after the commencement of the action for such compensation claims as they may establish, then an injunction shall not issue. Every judgment or forfeiture against an employer, under subsection (3) of this section, shall perpetually enjoin him from employing any person in his business at any time when he is not complying with subsection (2) of this section.

(5) If compensation is awarded under this act, against any employer who at the time of the accident has not complied with the provisions of subsection (2) of this section, such employer shall not be entitled as to such award or any judgment entered thereon, to any of the exemptions of property from seizure and sale on execution allowed in sections 272.18 to 272.22. If such employer is a corporation, the officers and directors thereof shall be individually and jointly and severally liable for any portion of any such judgment as is returned unsatisfied after execution against the corporation.

(6) Every employer shall upon request of the industrial commission report to it the number of his employes and the nature of their work and also the name of the insurance company with whom he has insured his liability under the workmen's compensation act and the number and date of expiration of such policy. Failure to furnish such report within ten days from the making of a request by registered mail shall constitute presumptive evidence that the delinquent employer is violating the provisions of subsection (2) of this section.

102.29 Third party liability. (1) The making of a claim for compensation against an employer or compensation insurer for the injury or death of an employe shall not affect the right of the employe, his personal representative, or other person entitled to bring action, to make claim or maintain an action in tort against any other party for such injury or death, hereinafter referred to as a third party; nor shall the making of a claim by any such person against

a third party for damages by reason of an injury to which sections 102.03 to 102.64 are applicable, or the adjustment of any such claim, affect the right of the injured employe or his dependents to recover compensation.[33] The employer or compensation insurer who shall have paid or is obligated to pay a lawful claim under this chapter shall likewise have the right to make claim or maintain an action in tort against any other party for such injury or death. However, each shall give to the other reasonable notice and opportunity to join in the making of such claim or the instituting of an action and to be represented by counsel. If a party entitled to notice cannot be found, the industrial commission of Wisconsin shall become the agent of such party for the giving of a notice as required herein and the notice, when given to the industrial commission, shall include an affidavit setting forth the facts, including the steps taken to locate such party. Each shall have an equal voice in the prosecution of said claim, and any disputes arising shall be passed upon by the court before whom the case is pending, and if no action is pending, then by a court of record or the industrial commission. If notice is given as herein provided, the liability of the tort feasor shall be determined as to all parties having a right to make claim, and irrespective of whether or not all parties join in prosecuting said claim, the proceeds of such claim shall be divided as follows: after deducting the reasonable cost of collection, one-third of the remainder shall in any event be paid to the injured employe or his personal representative or other person entitled to bring action. Out of the balance remaining, the employer or insurance carrier shall be reimbursed for all payments made by it, or which it may be obligated to make in the future, under the workmen's compensation act, except that it shall not be reimbursed for any payments of increased compensation made or to be made under the provisions of sections 102.22, 102.57, or 102.60.[34] Any bal-

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[33] Acceptance of compensation does not operate as an assignment of claim against a third party, nor does settlement with a third party operate as a waiver of claim for compensation.

[34] This provides that the employer or workmen's compensation insurance carrier shall not be reimbursed out of third party settlements for payments of increased compensation made or to be made under the provisions of 102.22, 102.57, 102.60. These respectively are penalty for delayed payments

ance remaining shall be paid to the employe or his personal representative or other person entitled to bring action. If both the employe or his personal representative or other person entitled to bring action, and the employer or compensation insurer, join in the pressing of said claim and are represented by counsel, the attorneys' fees allowed as a part of the costs of collection shall be, unless otherwise agreed upon, divided between such attorneys as directed by the court or by the industrial commission. A settlement of any third party claim shall be void unless said settlement and the distribution of the proceeds thereof is approved by the court before whom the action is pending and if no action is pending, then by a court of record or the industrial commission.

(2) In the case of liability of the employer or insurer to make payment into the state treasury under s. 102.49 or 102.59, if the injury or death was due to the actionable act, neglect or default of a third party, the employer or insurer shall have a right of action against such third party to recover the sum so paid into the state treasury, which right may be enforced by joining in the action mentioned in sub. (1), or by independent action. Contributory negligence of the employe because of whose injury or death such payment was made shall bar recovery if such negligence was as great as the negligence of the person against whom recovery is sought, and the recovery allowed the employer or insurer shall be diminished in proportion to the amount of negligence attributable to such injured or deceased employe. Any action brought under this subsection may, upon order of the court, be consolidated and tried together with any action brought under sub. (1).

(3) Nothing in this act shall prevent an employe from taking the compensation he may be entitled to under it and also maintaining a civil action against any physician or surgeon for malpractice. The employer or compensation in-

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(either 6 per cent after an order of the commission or 10 per cent for inexcusable delay); 15 per cent increased compensation payable by the employer because of violation of a safety order and double or treble compensation paid because of employment of a minor without required permit or at prohibited employment.

surer shall have no interest in or right to share in the proceeds of any civil action against any physician or surgeon for malpractice.

(4) If the insurance carrier of the employer and of the third party shall be the same, or if there is common control of the insurer of each, the insurance carrier of the employer shall promptly notify the parties in interest and the industrial commission of that fact; likewise, if the employer has assumed the liability of the third party he shall give similar notice; and, in default of such notice, any settlement with an injured employe or beneficiary shall be void. Nothing contained in this subsection shall prevent the employer or compensation insurer from sharing in the proceeds of any third party claim or action, as set forth in subsection (1).

(5) If the insurance carrier of the employer and of the third party are the same or if there is common control of the insurer of each, and the insurer fails to commence a third party action within the 3 years allowed by s. 330.205, the 3-year statute of limitations in s. 330.205 shall not be pleaded as a bar in any action commenced by the injured employe herein against any such third party subsequent to 3 years from the date of injury, but prior to 6 years from such date of injury, provided that any recovery in such action shall be limited to the insured liability of the third party. In any such action commenced by the injured employe subsequent to the 3-year period, the insurance carrier of the employer shall forfeit all right to participate in such action as a complainant and to recover any payments made under the workmen's compensation act. This subsection shall not apply if the insurance carrier has complied with sub. (4).[35]

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[35] The purpose of the provision is to give incentive to the common insurance carrier of the employer and third party to act in the interests of the employe in proceeding against the third party. There is not the same keen interest for the insurer to proceed where it is a common carrier as there is in the case where different carriers are involved. The penalty for failure to take prompt action is against the carrier which fails to initiate necessary steps to bring third party action. The carrier has already lost its right to proceed except as notice of injury has been served or action commenced within the 3 year period. It, therefore, loses nothing under the provision but also fails to gain that which is gained by the employe who, under this provision, will be permitted to commence his action after the 3 year period.

102.30 Other insurance not affected; liability of insured employer. (1) This act shall not affect the organization of any mutual or other insurance company, nor the right of the employer to insure in mutual or other companies, against such liability, or against the liability for the compensation provided for by this act, or to provide by mutual or other insurance, or by arrangement with his employes, or otherwise, for the payment to such employes, their families, dependents or representatives, of sick, accident or death benefits in addition to the compensation provided herein. But liability for compensation shall not be reduced or affected by any insurance, contribution or other benefit whatsoever, due to or received by the person entitled to such compensation, and the person so entitled shall, irrespective of any insurance or other contract,[36] have the right to recover the same directly from the employer; and in addition thereto, the right to enforce in his own name, in the manner provided in this act, the liability of any insurance company which may have insured the liability for such compensation, and the appearance, whether general or special, of any such insurance carrier by agent or attorney shall be a waiver of the service of copy of application and of notice of hearing required by section 102.17; provided, however, that payment of such compensation by either the employer or the insurance company, shall, to the extent thereof, be a bar to recovery against the other of the amount so paid, and provided, further, that as between the employer and the insurance company, payment by either directly to the employe, or to the person entitled to compensation, shall be subject to the conditions of the policy.

(2) The failure of the assured to do or refrain from doing any act required by the policy shall not be available to the insurance carrier as a defense against the claim of the injured employe or his dependents.

(3) The commission may order direct reimbursement out of the proceeds payable under this chapter for payments made under a nonindustrial insurance policy covering the same disability and medical expense when the claimant con-

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[36] Liability for compensation is not reduced because the employe carries insurance, and no part of the wages of the employe may be taken to pay insurance premiums against liability under this act.

sents, or when it is established that such payments under the nonindustrial insurance policy were improper.

102.31 Workmen's compensation insurance; policy regulations. (1) (a) Every contract for the insurance of the compensation herein provided for, or against liability therefor, shall be deemed to be made subject to the provisions of this act, and provisions thereof inconsistent with the act shall be void. Such contract shall be construed to grant full coverage of all liability of the assured under and according to the provisions of the act, notwithstanding any agreement of the parties to the contrary unless the commission has theretofore by written order specifically consented to the issuance of a policy on a part of such liability, except that an intermediate agency or publisher referred to in section 102.07 (6) may, under its own policy, cover liability of employes as defined in said section 102.07 (6) for an intermediate or independent news agency, provided the policy of insurance of such publisher or intermediate agency is indorsed to cover such persons. If the publisher so covers it shall not be necessary for the intermediate or independent news agency to cover liability for such persons.[37] No policy shall be canceled by either party within the policy period nor terminated upon expiration date until a notice in writing shall be given to the other party, fixing the date on which it is proposed to cancel it, or declaring that the party does not intend to renew the policy upon expiration date. Such cancellation or termination shall not become effective until 30 days after written notice has been given to the commission unless prior thereto the employer obtains other insurance coverage or an order exempting him from carrying insurance as provided in section 102.28 (2).[38] Such

[37] The law establishes no direct liability against the publisher for the employes of the intermediate or independent agency except as the agency may be a contractor under the publisher, in which case liability would exist under Sec. 102.06. The publisher is permitted to assume, under his insurance policy, the liability which exists directly against the intermediate or independent news agency, and to relieve those agencies from covering liability of newsboys.

[38] This makes it impossible for the employer or insurance company to cancel a policy of insurance unless thirty days' notice is given to the other party and to the commission. A second provision makes it certain that issuance of a new policy will automatically revoke and terminate any former policy issued by the same company.

notice to the commission shall be served personally or by registered mail on the commission at its office in Madison. Issuance of a new policy shall automatically revoke and terminate any former policy or policies issued by the same company.

(b) If the insured is a partnership, such contract of insurance shall not be construed to grant coverage of the individual liability of the members of such partnership in the course of a trade, business, profession or occupation conducted by them as individuals, nor shall a contract of insurance procured to cover individual liability be construed to grant coverage of a partnership of which the individual is a member, nor to grant coverage of the liability of the individual arising as a member of any partnership.[39]

(2) Each employe shall constitute a separate risk. Five employers or more may join in the organization of a mutual company under subsection (16) of section 201.04 and no such company organized by employers shall be authorized to effect such insurance unless it shall have in force or put in force simultaneously insurance on at least one thousand five hundred separate risks.

(3) The commission may examine from time to time the books and records of any insurance company insuring liability or compensation for an employer in this state. Any such company that shall refuse or fail to allow the commission to examine its books and records shall have its license revoked.

(5) Two or more companies, licensed to carry on the business of workmen's compensation insurance in this state, may with the approval of the commissioner of insurance, form a corporation for the purpose of insuring special risks under the workmen's compensation act. The articles of incorporation shall contain a declaration that the various company members shall contribute such amounts as may be necessary to meet any deficit of such corporation, such declaration to be in lieu of all capital, surplus and other re-

[39] This language operates to treat a partnership for insurance purposes as an entity. If A, an individual, has insurance and joins a partnership, his individual insurance will not cover the partnership. Conversely, when A leaves the partnership, the partnership insurance will not cover A as an individual.

quirements for the organization of companies and the transaction of the business of workmen's compensation insurance in this state. Such corporation shall be owned, operated and controlled by its company members as may be provided in the articles of incorporation.

(6) If any corporation licensed to transact the business of workmen's compensation insurance shall fail promptly to pay claims for compensation for which it shall become liable or if it shall fail to make reports to the industrial commission as provided in section 102.38, the industrial commission may recommend to the commissioner of insurance that the license of such company be revoked, setting forth in detail the reasons for its recommendation. The commissioner shall thereupon furnish copy of such report to the corporation and shall set a date for a hearing, at which both the corporation and the industrial commission shall be afforded an opportunity to present evidence. If after such hearing the commissioner is satisfied that the corporation has failed to live up to all of its obligations under this chapter, he shall promptly revoke its license; otherwise he shall dismiss the complaint.

(7) If any corporation licensed to transact the business of workmen's compensation insurance shall encourage, persuade or attempt to influence any employer, arbitrarily or unreasonably to refuse employment to or to discharge employes, the commissioner of insurance may, upon complaint of the industrial commission, under procedure set out in subsection (6) of section 102.31, revoke the license of such corporation.[40]

(8) If any employer who has by the industrial commission been granted exemption from the carrying of compensation insurance shall arbitrarily or unreasonably refuse employment to or shall discharge employes because of a nondisabling physical condition, the industrial commission shall revoke the exemption of such employer.[41]

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[40] The intent is to discourage insurance companies from attempting to influence employers, arbitrarily or unreasonably to refuse employment to, or discharge employes. The penalty for such activity may be revocation of the license of the insurance company by the commissioner of insurance upon complaint by the industrial commission.

[41] The intent is to dissuade action on the part of self-insurers as to hiring only workmen who are above the average in physical fitness, and in refusing to hire employes with slight physical defects.

102.32 Continuing liability; guarantee settlement, gross payment. In any case in which compensation payments have extended or will extend over six months or more from the date of the injury (or at any time in death benefit cases), any party in interest may, in the discretion of the commission, be discharged from, or compelled to guarantee, future compensation payments as follows:

(1) By depositing the present value of the total unpaid compensation upon a three per cent interest discount basis with such bank or trust company as may be designated by the commission; or

(2) By purchasing an annuity within the limitations provided by law, in such insurance company granting annuities and licensed in this state, as may be designated by the commission; or

(3) By payment in gross upon a three per cent interest discount basis to be approved by the commission; and

(4) In cases where the time for making payments or the amounts thereof cannot be definitely determined, by furnishing a bond, or other security, satisfactory to the commission for the payment of such compensation as may be due or become due. The acceptance of such bond, or other security, and the form and sufficiency thereof, shall be subject to the approval of the commission. If the employer or insurer is unable or fails to immediately procure such bond, then, in lieu thereof, deposit shall be made with such bank or trust company, as may be designated by the commission, of the maximum amount that may reasonably become payable in such cases, to be determined by the commission at amounts consistent with the extent of the injuries and the provisions of the law. Such bonds and deposits are to be reduced only to satisfy such claims and withdrawn only after the claims which they are to guarantee are fully satisfied or liquidated under the provisions of subsection (1), (2) or (3); and

(5) Any insured employer may, within the discretion of the commission, compel the insurer to discharge, or to guarantee payment of its liabilities in any such case under the provisions of this section and thereby release himself from

compensation liability therein, but if for any reason a bond furnished or deposit made under subsection (4) does not fully protect, the compensation insurer or uninsured employer, as the case may be, shall still be liable to the beneficiary thereof.

(6) Any time after six months from the date of the injury, the commission may order payment in gross or in such manner as it may determine to the best interest of the injured employe or his dependents. When payment in gross is ordered, the commission shall fix the gross amount to be paid based on the present worth of partial payments, considering interest at three per cent per annum.

(7) No lump sum settlement shall be allowed in any case of permanent total disability upon an estimated life expectancy, except upon consent of all parties, after hearing and finding by the commission that the interests of the injured employe will be conserved thereby.

102.33 Blanks and records. The commission shall print and furnish free to any employer or employe such blank forms as it shall deem requisite to facilitate efficient administration of this act; it shall keep such record books or records as it shall deem required for the proper and efficient administration of this act.

102.34 Nonelection, notice by employer. Knowledge of the fact that an employer is subject to this act shall conclusively be imputed to all employes. Every employer who would be subject to this act but for the fact that he has elected not to accept its provisions thereof, shall post and maintain printed notices of such nonelection on his premises, of such design, in such numbers, and at such places as the commission shall, by order, determine to be necessary to give information to his employes.

102.35 Penalties. (1) Every employer and every insurance company that fails to keep the records or to make the reports required by chapter 102 or that knowingly falsifies such records or makes false reports shall forfeit to the state not less than ten dollars nor more than one hundred dollars for each offense.

(2) Any employer, or duly authorized agent thereof, who, without reasonable cause, refuses to rehire an employe injured in the course of employment, or who, because of a claim or attempt to claim compensation benefits from such employer, shall discriminate or threaten to discriminate against an employe as to his employment, shall forfeit to the state not less than $50 nor more than $500 for each offense. No action under this subsection shall be commenced except upon request of the industrial commission.

102.37 Employers' records. Every employer of three or more persons and every employer who is subject to the workmen's compensation act shall keep a record of all accidents causing death or disability of any employe while performing services growing out of and incidental to the employment, which record shall give the name, address, age and wages of the deceased or injured employe, the time and causes of the accident, the nature and extent of the injury, and such other information as the industrial commission may require by general order. Reports based upon this record shall be furnished to the industrial commission at such times and in such manner as it may require by general order, upon forms to be procured from the commission.

102.38 Records of payments; reports thereon. Every insurance company which transacts the business of compensation insurance, and every employer who is subject to the workmen's compensation act, but who has not insured his liability, shall keep a record of all payments made under the provisions of chapter 102 of the statutes and of the time and manner of making such payments, and shall furnish such reports based upon these records to the industrial commission as it may require by general order, upon forms to be procured from the commission.

102.39 General orders; application of statutes. The provisions of chapter 101, relating to the adoption, publication, modification and court review of general orders of the commission shall apply to all general orders adopted pursuant to this chapter.

102.40 Reports not evidence in actions. Reports furnished to the commission pursuant to sections 102.37 and 102.38 shall not be admissible as evidence in any action or proceeding arising out of the death or accident reported.

102.42 Incidental compensation. (1) The employer shall supply such medical, surgical and hospital treatment, medicines, medical and surgical supplies, crutches, artificial members, appliances, and training in the use of artificial members and appliances, or, at the option of the employe, if the employer has not filed notice as hereinafter provided, Christian Science treatment in lieu of medical treatment, medicines and medical supplies, as may be reasonably required to cure and relieve from the effects of the injury, and to attain efficient use of artificial members and appliances,[42] and in case of his neglect or refusal seasonably to do so, or in emergency until it is practicable for the employe to give notice of injury, the employer shall be liable for the reasonable expense incurred by or on behalf of the employe in providing the same. The employer shall also be liable for reasonable expense incurred by the employe for necessary treatment to cure and relieve him from the effects of occupational disease prior to the time that the employe knew or should have known the nature of his disability and its relation to employment, and as to such treatment the provisions of section 102.42 (2) and (3) shall not apply.[43]

(2) The employe shall have the right to make choice of his attending physician from a panel of physicians to be

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[42] Experience gained in cases of amputation following injury in the last war pointed out the necessity for training in the use of artificial limbs. Most meritorious and effective training and technique were evolved. The cost of training is a substantial item. The amendment provides for payment of such cost as part of compensation benefits with limitation only of reasonableness as to time and amount.

[43] Medical treatment when necessary is to be provided regardless of whether or not indemnity is payable or whether indemnity disability has ceased. There is provision for payment of expense for treatment procured by an employe who does not learn until later of the nature of his disability, or its relation to employment. Formerly, no liability would have existed unless and until notice of injury had been given. In such cases as tuberculosis following silicosis, this worked hardship on an employe who, although reasonably diligent, could not give notice of necessity for treatment because he had not yet learned the nature of his disability and its relation to employment.

named by the employer. Where the employer has knowledge of the injury and the necessity for treatment, his failure to tender the same shall constitute such neglect or refusal. Failure of the employer to maintain a reasonable number of competent and impartial physicians, ready to undertake the treatment of the employe, and to permit the employe to make choice of his attendant from among them, shall constitute neglect and refusal to furnish such attendance and treatment. Nothing contained in this section shall limit the right of the employe to make a second choice of physician from the panel of physicians named by the employer. The commission may upon summary hearing permit an injured employe to make selection of a physician not on the panel.[44]

(3) MEDICAL PANEL. In determining the reasonableness of the size of the medical panel, the commission shall take into account the number of competent physicians immediately available to the community in which the medical service is required, and where only one such physician is available, the tender of attention by such physician shall be construed as a compliance with this section unless specialized or extraordinary treatment is necessary. In such panel, partners and clinics shall be deemed as one physician. Every employer shall post the names and addresses of the physicians on his panel in such manner as to afford his employes reasonable notice thereof.[45]

(4) PREJUDICED PHYSICIAN. Whenever in the opinion of the commission a panel physician has not impartially estimated the degree of permanent disability or the extent of temporary disability of any injured employe, the commis-

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[44] This insures that the employe who may be dissatisfied with the service of the first physician chosen may select another physician. It is generally considered that if an employe does not have confidence in his attending physician recovery may be delayed, and that no employe should have to be treated by a physician whom he distrusts or dislikes whether or not for good reason. The law provides for further change of physician upon request of the employe to the commission.

[45] The commission is to determine either by general rule or in individual cases what is a reasonable panel and to require the employer to maintain such panel.

There has been a commendable disposition on the part of both employers and carriers to enlarge medical panels in many cases to the extent of furnishing a free or practically free choice of physicians. The policy of the commission is to broaden rather than to restrict the number of physicians on panels.

sion may cause such employe to be examined by a physician selected by it, and to obtain from him a report containing his estimate of such disabilities. If the report of such physician shows that the estimate of the panel physician has not been impartial from the standpoint of such employe, the commission may in its discretion charge the cost of such examination to the employer, if he is a self-insurer, or to the insurance company which is carrying the risk.[46]

(5) CHRISTIAN SCIENCE TREATMENT. Any employer may elect not to be subject to the provisions for Christian Science treatment provided for in this section by filing written notice of such election with the commission.

(6) ARTIFICIAL MEMBERS. Artificial members furnished at the end of the healing period need not be duplicated.

(7) Unless the employe shall have elected Christian Science treatment in lieu of medical, surgical, hospital, or sanatorium treatment, no compensation shall be payable for the death or disability of an employe, if his death be caused, or insofar as his disability may be aggravated, caused or continued (a) by an unreasonable refusal or neglect to submit to or follow any competent and reasonable medical or surgical treatment, (b) or, in the case of tuberculosis, by his refusal or neglect to submit to or follow hospital or

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[46] Subsections 2, 3 and 4 constitute the so-called "medical panel" provisions. Their purpose is to require employers and insurance carriers to maintain a panel of physicians, from which list employes shall be permitted to make their choice of physician to attend them. The size of this panel must necessarily vary according to the size of the community and the number of physicians available for service. In small communities the employer and insurer may satisfy their obligation by maintaining a smaller panel, and in those communities where only one physician is available, the tendering of service by that physician may be sufficient. The physicians named on the panel must be competent and impartial.

This legislation is intended to satisfy in a measure the demand of injured workmen that they be permitted to select their own physician. The plan will give them something approaching a choice and at the same time preserve for the employer and insurer the opportunity to see that only the most competent physicians and surgeons are called upon to attend employes. The agitation for the right of selection by the employe developed not always because of the incompetence of the physician designated by the employer, but more particularly because of conduct both in and out of hearing, which the injured men construed as evidence of partiality. The maintenance of strict impartiality by attending physicians will accomplish more than all other agencies to satisfy injured employes with the plan of medical selection by employers.

sanatorium treatment when found by the commission to be necessary. The right to compensation accruing during a period of refusal or neglect under (b) shall be barred, irrespective of whether disability was aggravated, caused or continued thereby.[47]

(8) Medical Expenses. In the event of a claim by a state employe under the conditions enumerated in s. 102.03, involving only payment of medical expense of not to exceed a gross of $50, the employing department may approve payment of such reasonable medical expense for necessary medical treatment to whomsoever owing, subject to subsequent review by the commission. If the employing department rejects the claim, the employe may make claim to the commission. Payment shall be charged to the appropriate fund, as provided by s. 20.550 (1).[48]

102.43 Weekly compensation schedule. If the injury causes disability, an indemnity shall be due as wages commencing with the fourth calendar day, exclusive of Sundays only, excepting where such employes work on Sunday, after the employe leaves work as the result of the injury, and shall be payable weekly thereafter, during such disability. If the disability shall exist after ten calendar days from the date the employe leaves work as a result of the injury and only if it so exists, indemnity shall also be due and payable for the first three calendar days, exclusive of Sundays only, excepting where such employes work on Sunday. Said weekly indemnity shall be as follows.[49]

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[47] Former provisions as to the consequences of refusal or neglect to submit to treatment for tuberculosis were confusing and uncertain. This proposal is to clarify the situation and to bar compensation accruing during a period of refusal of hospital or sanatorium treatment when the commission has found it to be necessary. This is based on equity and further to protect persons from contact and possible contraction of tuberculosis from persons suffering from the disease.

There is also provision making it clear that medical and surgical treatment are in the same category so far as refusal to submit is concerned, that is, loss of compensation to the extent that refusal of treatment augments disability.

[48] This amendment was effected by Chapter 166, Laws of 1965, effective August 1, 1965.

[49] The payment to be made on the eleventh calendar day will pay for all disability to that date except where the waiting period is to be excluded because disability does not continue after ten calendar days from the date of initial disability.

(1) If the injury causes total disability, seventy per cent of the average weekly earnings during such total disability.

(2) If the injury causes partial disability, during the partial disability, such proportion of the weekly indemnity rate for total disability as the actual wage loss of the injured employe bears to his average weekly wage at the time of his injury.[50]

(3) If the disability caused by the injury is at times total and at times partial, the weekly indemnity during each total or partial disability shall be in accordance with subsections (1) and (2), respectively.

(4) If the disability period involves a fractional week, indemnity shall be paid for each day of such week, except Sundays only, at the rate of one-sixth of the weekly indemnity.[51]

(5) Temporary disability, during which compensation shall be payable for loss of earnings, shall include such period as may be reasonably required for training in the use of artificial members and appliances, and shall include such period as the employe may be receiving instruction pursuant to the provisions of section 102.61. Temporary disability on account of receiving instruction of the latter nature, and not otherwise resulting from the injury, shall not be in excess of 40 weeks.[52]

102.44 Maximum limitations. Section 102.43 shall be subject to the following limitations:

(2) In case of permanent total disability aggregate indemnity shall be weekly indemnity for the period that he

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[50] In case of partial disability occasioning a wage loss, proportionate compensation is paid. For example: if an employe earns 50 per cent of his wage, he would also be entitled to 50 per cent of the compensation due for temporary total disability.

[51] Compensation is to be paid for each day of disability except Sunday, regardless of whether or not the day of disability is a working day. Payment for each day is to be made uniformly at the rate of one-sixth of the weekly indemnity regardless of the number of days per week which the employe works.

[52] In addition to compensation for temporary disability following injury compensation is to be paid for loss of earnings during such period as may be reasonably required, (1) for training in the use of artificial members and appliances, and (2) for such period as the employe may be receiving rehabilitation instruction. There is no stated limit for payment of compensation while training in the use of artificial members. There is a limitation of 40 weeks in case of rehabilitation training.

may live. Total impairment for industrial use of both eyes, or the loss of both arms at or near the shoulder, or of both legs at or near the hip, or of one arm at the shoulder and one leg at the hip, shall constitute permanent total disability. This enumeration shall not be exclusive but in other cases the commission shall find the facts.

(3) For permanent partial disability not covered by the provisions of sections 102.52 to 102.56 the aggregate number of weeks of indemnity shall bear such relation to the number of weeks set out in paragraphs (a) and (b) as the nature of the injury bears to one causing permanent total disability and shall be payable at the rate of 70 per cent of the average weekly earnings of the employe to be computed as provided in section 102.11.[53] Such weekly indemnity shall be in addition to compensation for healing period and shall be for the period that he may live, not to exceed, however, these named limitations, to-wit:

(a) One thousand weeks for all persons 50 years of age or less.

(b) For each successive yearly age group, beginning with 51 years, the maximum limitation shall be reduced by 2½ per cent per year, with no reduction in excess of 50 per cent.[54]

(4) Where the permanent disability is covered by the provisions of sections 102.52, 102.53 and 102.55,[55] such sections shall govern; provided, that in no case shall the percentage of permanent total disability be taken as more than 100 per cent.

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[53] Compensation is to be paid at the full weekly rate but is to be proportioned to the total number of weeks provided for permanent partial disability. For example, 10% permanent partial disability because of a back injury entitles the injured employe under 51 years of age to 100 weeks of compensation. The basis of weekly payment for all compensation cases is uniform.

[54] A uniform basis is adopted for scheduled and non-scheduled disabilities, on the basis of 2½ per cent reduction per year, beginning with 51 years, the maximum reduction to be not more than 50 per cent. See Table 2, infra.

It will be noted that after age 70 there will be no further reduction for permanent disability.

(See Section 102.53 (2) providing like reduction in schedule injuries)

[55] This provides for application of the "multiple injury" feature of the law as between schedule and non-schedule injuries as well as merely between schedule injuries.

102.45 Benefits payable to minors; how paid. Compensation and death benefit payable to an employe or dependent who was a minor when his right began to accrue, may, in the discretion of the commission, be ordered paid to a bank, trust company, trustee, parent, or guardian, for the use of such employe or dependent as may be found best calculated to conserve his interests. Such employe or dependent shall be entitled to receive payments, in the aggregate, at a rate not less than that applicable to payments of primary compensation for total disability or death benefit as accruing from his twenty-first birthday.[56]

102.46 Death benefit. Where death proximately results from the injury and the deceased leaves a person wholly dependent upon him for support, the death benefit shall equal four times his average annual earnings, but when added to the disability indemnity paid and due at the time of death, shall not exceed seventy per cent of weekly wage for the number of weeks set out in paragraphs (a) and (b) of subsection (3) of section 102.44, based on the age of the deceased at the time of his injury.[57]

102.47 Death benefit continued. If death occurs to an injured employe other than as a proximate result of the injury, before disability indemnity ceases, death benefit and burial expense allowance shall be as follows:

(1) Where the injury proximately causes permanent total disability, they shall be the same as if the injury had caused death, except that the burial expense allowance shall be included in the items subject to the limitation stated in

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[56] The purpose is to conserve the substantial installment payments which may be due to youthful employes. This in no way affects payments by the employer or insurance carrier but merely provides a method by which the industrial commission can direct retention and assume supervision of principal in the manner provided and thus conserve compensation payments best to suit the needs of the minor.

[57] This provision is to be read in conjunction with Sec. 102.44 (2), which provides for the compensating of permanent total disability during the life of the injured instead of for a given number of weeks. Sec. 102.46 preserves the old limitation, so that payment of death benefit, following a period of total disability, when added to the amount paid for disability before death, shall not exceed the same number of weeks as was formerly provided for permanent total disability.

section 102.46. The amount available shall be applied toward burial expense before any is applied toward death benefit.[58]

(2) Where the injury proximately causes permanent partial disability, the unaccrued compensation shall first be applied toward funeral expenses, not to exceed * * * *$500*,[59] any remaining sum to be paid to dependents, as provided in this section and ss. 102.46 and 102.48 and there shall be no liability for any other payments. All computations under this subsection shall take into consideration the present value of future payments.

102.48 Death benefit, continued. If the deceased employe leaves no one wholly dependent upon him for support, partial dependency and death benefits therefor shall be as follows:

(1) An unestranged surviving parent or parents, residing within any of the states or District of Columbia or any of the territorial possessions of the United States, shall receive a death benefit of $2,000.[60] If the parents are not living together, the commission shall divide this sum in such proportion as it determines to be just, considering their ages and other facts bearing on dependency.

(2) In all other cases the death benefit shall be such sum as the commission shall determine to represent fairly and justly the aid to support which the dependent might reasonably have anticipated from the deceased employe but for the injury. To establish anticipation of support and dependency, it shall not be essential that the deceased employe made any contribution to support. The

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[58] It is provided that burial expense along with compensation payable in life and death benefit payable to dependents is subject to the limitation and not additional to it as in the case of death caused by the injury. Burial expense is first claim upon the balance in conformity with 102.47 (2). The limitation under 102.46 is up to four times average annual earnings but not more than the balance of the number of weeks provided as the basis for computing permanent partial disability to the head and torso.

[59] This amendment was effected by Chapter 166, Laws of 1965, effective August 1, 1965.

[60] All unestranged parents, unless totally dependent, will receive the sum of $2,000—this being predicated on an approximate average of benefits for partial dependency on the part of parents.

It is not necessary to make a showing of contribution to support under this provision. If, however, a showing of *total* dependency can be made, then Section 102.46 is applicable.

aggregate benefits in such case shall not exceed twice the average annual earnings of the deceased; or four times the contributions of the deceased to the support of such dependents during the year immediately preceding his death, whichever amount is the greater. In no event shall the aggregate benefits in such case exceed the amount which would accrue to a person solely and wholly dependent. Where there is more than one partial dependent the weekly benefit shall be apportioned according to their relative dependency. The term "support" as used in sections 102.42 to 102.63 shall include contributions to the capital fund of the dependents, for their necessary comfort.

(3) Death benefit, other than burial expenses, except otherwise provided, shall be paid in weekly installments corresponding in amount to fifty per cent of the weekly earnings of the employe, until otherwise ordered by the commission.

102.49 Additional death benefits for children, state fund. (1) Where the beneficiary under s. 102.46 or s. 102.47 (1) is the wife or husband of the deceased employe and is wholly dependent for support, an additional death benefit shall be paid from the funds provided by sub. (5) for each child by their marriage living at the time of the death of the employe, and who is likewise wholly dependent upon him for support. Such additional benefit shall be computed from the date of the death of the employe as follows: For the child one year of age or under (including a posthumous child), a sum equal to 1-1/15 times the average annual earnings of the deceased employe. For children in each successive yearly age group the amount allowed shall be reduced by one-sixteenth part of such sum, with no allowance for any child over 16 years of age at the death of the employe unless such child be physically or mentally incapacitated from earning, in which case the commission shall make such allowance as the equities and the necessities of the case merit, not more, however, than the amount payable on account of a child under one year of age.

(2) A child lawfully adopted by the deceased employe and the surviving spouse, prior to the time of the injury, and a child not his own by birth or adoption but living with

him as a member of his family at the time of the injury shall for the purpose of this section be taken as a child by their marriage.

(3) Where the employe leaves a wife or husband wholly dependent and also a child or children by a former marriage or adoption, likewise wholly dependent, aggregate benefits shall be the same in amount as if the children were the children of such surviving spouse, and the entire benefit shall be apportioned to the dependents in such amounts as the commission shall determine to be just, considering their ages and other facts bearing on dependency. The benefit awarded to the surviving spouse shall not exceed four times the average annual earnings of the deceased employe.

(4) Dependency of any child for the purposes of this section shall be determined according to the provisions of subsection (1) of section 102.51, in like manner as would be done if there was no surviving dependent parent.

(5) (a) In each case of injury resulting in death, leaving one or more persons wholly dependent for support, the employer or insurer shall pay into the state treasury the sum of $2,500.

(b) In each case of injury resulting in death leaving no person dependent for support, the employer or insurer shall pay into the state treasury the sum of $11,000.

(c) In each case of injury resulting in death, leaving one or more persons partially dependent for support, the employer or insurer shall pay into the state treasury an amount which, when added to the sums paid or to be paid on account of partial dependency, shall equal the death benefit payable to a person wholly dependent, plus the amount payable into the state treasury under this subsection where there is a person wholly dependent, such payment to the state treasury in no event to exceed $11,000.

(d) The payment into the state treasury shall be made in all such cases regardless of whether the dependents or personal representatives of the deceased employe commence action against a third party under s. 102.29. If such payment is not made within 20 days after the commission makes request therefor, any sum payable shall bear interest at the rate of 6 per cent per annum.

(e) If the balance in the fund provided by this subsection on any June 30 equals or exceeds 1½ times the amount paid out of the fund during the fiscal year ending on said June 30, then the amount of the payment into the state treasury, where one or more persons is wholly dependent for support, shall be $2,000 instead of $2,500 for injuries occurring on or after the following October 1. If the balance is 2 times the amount paid out, the amount of the payment shall be $1,500 instead of $2,500. If the balance is 2½ times the amount paid out, the payment shall be $1,000. If the balance is 3 times the amount paid out, the payment shall be $500. If the balance is 3½ times the amount paid out, no payment shall be required. Any provision for payment of less than $2,500 shall be valid for a period of one year commencing on said October 1. The commission shall by findings and order annually before October 1 determine the amount to be paid into the fund; such findings and order shall set forth the balance in the fund as of June 30, and the amount paid out during such fiscal year.[61]

(6) The moneys paid into the state treasury pursuant to subsection (5) with all accrued interest is hereby appropriated to the commission for the discharge of all liability for additional death benefits accruing under this section.

(7) The additional benefits for account of each child shall accrue at the rate of 13 per cent of the surviving parent's weekly indemnity. The commission may award such benefits to the surviving parent of such child, to his guardian or to such other person, bank or trust company for his use as may be found best calculated to conserve the interest of the child. In the case of death of a child while benefits are still payable there shall be paid the reasonable expense for burial not exceeding $300.

(8) For the proper administration of the funds available under subsection (5) and (6) the commission shall, by order, set aside in the state treasury suitable reserves to carry to maturity the liability for additional death benefit. Such moneys shall be invested by the state of Wisconsin investment board, in the securities authorized in section 206.34.

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[61] As of April 1, 1959 the payment was $2,500; as of October 1, 1962, the payment was $2,000; as of October 1, 1963, the payment was $1,000. As of October 1, 1965, the payment is $500.

102.50 Burial expenses. In all cases where death of an employe proximately results from the injury the employer or insurer shall pay the reasonable expense for burial, not exceeding $500.

102.51 Dependents. (1) WHO ARE. The following shall be conclusively presumed to be solely and wholly dependent for support upon a deceased employe: a wife upon a husband with whom she is living at the time of his death; a husband upon a wife with whom he is living at the time of her death; a child under the age of eighteen years (or over said age, but physically or mentally incapacitated from earning), upon the parent with whom he is living at the time of the death of such parent, there being no surviving dependent parent. Where a dependent entitled to the presumption in this subsection survives the deceased employe, all other dependents shall be excluded.[62] The charging of any portion of the support and maintenance of a child upon one of the parents, or any voluntary contribution toward the support of a child by a parent, or an obligation to support a child by a parent shall constitute a living with any such parent within the meaning of this section.[63]

(2) WHO ARE NOT. (a) No person shall be considered a dependent unless a member of the family or a spouse, or a divorced spouse who has not remarried, or lineal descendent or ancestor, or brother or sister of the deceased employe.

(b) Where for eight years or more prior to the date of injury a deceased employe has been a resident of the United States, it shall be conclusively presumed that no person who has remained a nonresident alien during that period is either totally or partially dependent upon him for support.

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[62] This provision excludes all other dependents from consideration when there are persons who are conclusively presumed to be solely and wholly dependent.

[63] Where there is no surviving dependent parent, children up to the age of 18 "living with" the deceased at the time of injury and death arbitrarily become entitled to death benefit based on total dependency. The law formerly provided that in case of divorce the charging of any portion of support and maintenance or voluntary contribution toward support or an obligation to support a child by a parent should constitute a "living with" the parent and thus entitled the child to the presumption of total dependency. There appears no reason why the child should not be equally protected where divorce is pending but no decree entered, or where the parents live apart without divorce pending, or where for any other reason a child may not be factually or physically living with its parents.

(c) No person who is a nonresident alien shall be found to be either totally or partially dependent on a deceased employe for support who cannot establish dependency by proving contributions from the deceased employe by written evidence or tokens of the transfer of money, such as drafts, letters of credit, cancelled checks, or receipts for the payment to any bank, express company, United States post office, or other agency commercially engaged in the transfer of funds from one country to another, for transmission of funds on behalf of said deceased employe to such nonresident alien claiming dependency. This provision shall not be applicable unless the employe has been continuously in and has been remuneratively employed therein for at least 6 months.[64]

(3) DIVISION AMONG DEPENDENTS. If there is more than one person wholly or partially dependent, the death benefit shall be divided between such dependents in such proportion as the commission shall determine to be just, considering their ages and other facts bearing on such dependency.

(4) DEPENDENCY AS OF DATE OF INJURY. Questions as to who constitute dependents and the extent of their dependency shall be determined as of the date of the injury to the employe, and their right to any death benefit shall become fixed as of such time, irrespective of any subsequent change in conditions; and the death benefit shall be directly recoverable by and payable to the dependents entitled thereto or their legal guardians or trustees; in case of the death of a dependent whose right to a death benefit has thus become fixed, so much of the same as is then unpaid shall be payable to his personal representatives in gross.

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[64] A nonresident alien is barred from receiving benefits where the deceased employe, because of whose death claim is being made, has been a resident of the United States for 8 years or more prior to the date of injury.

This section formerly provided that no person who is a nonresident alien should be found either totally or partially dependent who could not establish contributions from the deceased employe by written evidence or tokens of the transfer of money such as drafts, letters of credit, cancelled checks, or certain other documentary evidence.

In some cases aliens who come to this country to work may be fatally injured before they have had opportunity to make contributions to their dependents. This provision allows proof of contributions other than by written evidence provided the deceased has not been in the United States for one year, or remuneratively employed for at least 6 months.

(5) WHEN NOT INTERESTED. No dependent of an injured employe shall be deemed a party in interest to any proceeding by him for the enforcement of his claim for compensation, nor as respects the compromise thereof by such employe. Subject to the provisions of section 102.16 (1), a compromise of all liability entered into by an employe shall be binding upon his dependents.

(6) DIVISION AMONG DEPENDENTS. Benefits accruing to a minor dependent child may be awarded to the mother in the discretion of the commission. Notwithstanding the provisions of subsection (1) the commission may reassign the death benefit, in accordance with their respective needs therefor as between a surviving spouse and children designated in section 102.49.[65]

(7) CERTAIN DEFENSE BARRED. In proceedings for the collection of primary death benefit or burial expense it shall not be a defense that the applicant, either individually or as a partner, was an employer of the deceased.[66]

102.52 Permanent partial disability schedule. In cases included in the following schedule of permanent partial disabilities indemnity shall be paid for the healing period, and in addition thereto, where the employe is 50 years of age or less, for the period specified, at the rate of 70 per cent of the average weekly earnings of the employe, to be computed as provided in section 102.11:

(1) The loss of an arm at the shoulder, 500 weeks;

(2) The loss of an arm at the elbow, 450 weeks;

(3) The loss of a hand, 400 weeks;

(4) The loss of a palm where the thumb remains, 275 weeks;

(5) The loss of a thumb and the metacarpal bone thereof, 125 weeks;

(6) The loss of a thumb at the proximal joint, 100 weeks;

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[65] This provision limits redistribution as between classes named.

[66] This provision allows an employer who is a parent or other relative to receive death benefit from the insurance carrier, although such applicant, either individually or as a partner, would not otherwise be entitled to such benefits under the holding in the case of *Thomas v. Ind. Comm.*, 243 Wis. 231.

(7) The loss of a thumb at the distal joint, 40 weeks;

(8) The loss of all fingers on one hand at their proximal joints, 225 weeks;

(9) Losses of fingers on each hand as follows:

(a) An index finger and the metacarpal bone thereof, 60 weeks;

(b) An index finger at the proximal joint, 50 weeks;

(c) An index finger at the second joint, 30 weeks;

(d) An index finger at the distal joint, 12 weeks;

(e) A middle finger and the metacarpal bone thereof, 45 weeks;

(f) A middle finger at the proximal joint, 35 weeks;

(g) A middle finger at the second joint, 20 weeks;

(h) A middle finger at the distal joint, 8 weeks;

(i) A ring finger and the metacarpal bone thereof, 26 weeks;

(j) A ring finger at the proximal joint, 20 weeks;

(k) A ring finger at the second joint, 15 weeks;

(l) A ring finger at the distal joint, 6 weeks;

(m) A little finger and the metacarpal bone thereof, 28 weeks;

(n) A little finger at the proximal joint, 22 weeks;

(o) A little finger at the second joint, 16 weeks;

(p) A little finger at the distal joint, 6 weeks;

(10) The loss of a leg at the hip joint, 500 weeks;

(11) The loss of a leg at the knee, 425 weeks;

(12) The loss of a foot at the ankle, 250 weeks;

(13) The loss of the great toe with the metatarsal bone thereof, 83–1/3 weeks;

(14) Losses of toes on each foot as follows:

(a) A great toe at the proximal joint, 25 weeks;

(b) A great toe at the distal joint, 12 weeks;

(c) The second toe with the metatarsal bone thereof, 25 weeks;

(d) The second toe at the proximal joint, 8 weeks;

(e) The second toe at the second joint, 6 weeks;

(f) The second toe at the distal joint, 4 weeks;

(g) The third, fourth or little toe with the metatarsal bone thereof, 20 weeks;

(h) The third, fourth or little toe at the proximal joint, 6 weeks;

(i) The third, fourth or little toe at the second or distal joint, 4 weeks;

(15) The loss of an eye by enucleation or evisceration, 275 weeks;

(16) Total impairment of one eye for industrial use, 250 weeks;[67]

(17) Total deafness from accident or sudden trauma, * * * *330 weeks;*[68]

(18) Total deafness of one ear from accident or sudden trauma, * * * *55* weeks;[69]

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[67] See Rule Ind 80.26 infra for determining loss of visual efficiency.

[68] See Rule Ind 80.25 infra for determining loss of hearing.

When the hearing in both ears has been reduced due to accidental injury, the smaller loss is multiplied by 5, added to the greater loss, and the total divided by 6. The resulting percentage is the loss of hearing in both ears and is applied to the schedule allowance for loss of hearing in both ears.

Example:

Age 30

Hearing in left ear—10 per cent loss
Hearing in right ear—90 per cent loss

$$\frac{(10\% \times 5) \text{ plus } 90\%}{6} = 23.33\% \text{ loss of hearing in both ears.}$$

[69] See 102.555 for occupational deafness schedule.

[68], [69] This amendment was effected by Chapter 166, Laws of 1965, effective August 1, 1965.

102.53 Multiple injury and age variations.[70] (1) In case an injury causes more than one permanent disability specified in sections 102.44 (3), 102.52 and 102.55, the period for which indemnity shall be payable for each additional equal or lesser disability shall be increased as follows:

(a) In the case of impairment of both eyes, by 200 per cent.

(b) In the case of disabilities on the same hand covered by section 102.52 (9), by 100 per cent for the first equal or lesser disability and by 150 per cent for the second and third equal or lesser disabilities.

(c) In the case of disabilities on the same foot covered by section 102.52 (14), by 20 per cent.

(d) In all other cases, by 20 per cent.

(e) The aggregate result as computed by applying paragraph (a), and the aggregate result for members on the same hand or foot as computed by applying paragraphs (b) and (c), shall each be taken as a unit for applying paragraph (d) as between such units, and as between such units and each other disability.

(2) In cases where the injured employe is above 50 years of age when injured the periods for which indemnity shall be payable, in addition to the healing period, shall be reduced from those specified in section 102.52 by 2½ per cent for each year that the age of such employe exceeds 50, with no reduction in excess of 50 per cent.[71]

102.55 Application of schedules. (1) Whenever amputation of a member is made between any 2 joints mentioned in the schedule in section 102.52 the determined loss and re-

[70] This provides for "stepping up" the value of disabilities to two or more fingers or portions of them so that in case of disabilities to fingers on one hand the increase is an additional 100% for the first equal or lesser disability and 150% for the second and third equal or lesser disabilities. In case of toes on one foot the corresponding increase is 20%, as it is in all other cases of multiple injury except for impairment of both eyes, where the increase is treble, as heretofore. When the aggregate result for members on the same hand or foot or for an eye has been computed, it is taken as a unit and there is increase as between that and other units by 20% for each equal or lesser injury unit (except as between both eyes or both ears).

[71] See Table 2, infra.

sultant indemnity therefor shall bear such relation to the loss and indemnity applicable in case of amputation at the joint next nearer the body as such injury bears to one of amputation at the joint nearer the body.

(2) For the purposes of this schedule permanent and complete paralysis of any member shall be deemed equivalent to the loss thereof.

(3) For all other injuries to the members of the body or its faculties which are specified in this schedule resulting in permanent disability, though the member be not actually severed or the faculty totally lost, compensation shall bear such relation to that named in this schedule as disabilities bear to the disabilities named in this schedule. Indemnity in such cases shall be determined by allowing weekly indemnity during the healing period resulting from the injury and the percentage of permanent disability resulting thereafter as found by the commission.[72]

102.555 Occupational deafness: definitions. (1) "Occupational deafness" means permanent partial or permanent total loss of hearing of one or both ears due to prolonged exposure to noise in employment. "Noise" means sound capable of producing occupational deafness. "Noisy employment" means employment in the performance of which an employe is subjected to noise.

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[72] The commission has adopted the following rule for estimating the permanent disability involving finger tip amputations. Unless otherwise affirmatively established, in estimating permanent disability as a result of finger tip amputations, amputation of the distal one-third or less shall be considered the equavlent of 45 per cent loss of use of the distal phalanx, amputation of not more than the distal two-thirds but more than the distal one-third shall be considered the equivalent of 80 per cent loss of use of the distal phalanx, and amputation of more than the distal two-thirds shall be considered as 100 per cent loss of the distal phalanx, provided there is no added disability as a result of malformed nail or tissue. In no case shall the allowance be greater than it would have been for amputation of the entire distal phalanx.

After conferences with industrial physicians and surgeons in various parts of the state the commission has adopted a table (No. 5 for rating certain typical major disabilities involving ankylosis or restriction of movement). Physicians are free to make estimates different from those set forth in the table. However, because of the complete discussion and practically unanimous agreement upon which the table is based, the commission will require a very clear showing to be made that its application is inequitable.

(2) No benefits shall be payable for temporary total or temporary partial disability under this act for loss of hearing due to prolonged exposure to noise.

(3) An employe who because of occupational deafness is transferred by his employer to other noisy employment and thereby sustains actual wage loss, shall be compensated at the rate provided in s. 102.43 (2), not exceeding $3,500 in the aggregate from all employers. "Time of injury," "occurrence of injury," "date of injury" in such case shall be the date of wage loss.

(4) (intro. par.) Subject to the limitations herein contained and the provisions of s. 102.53 (2) there shall be payable for total occupational deafness of one ear, 36 weeks of compensation; for total occupational deafness of both ears, 216 weeks of compensation; and for partial occupational deafness, compensation shall bear such relation to that named herein as disabilities bear to the maximum disabilities herein provided. In cases covered by this subsection "time of injury," "occurrence of injury," or "date of injury" shall be exclusively the date of occurrence of any of the following events to an employe.[73]

(a) Transfer because of occupational deafness to nonnoisy employment by an employer whose employment has caused occupational deafness;

(b) Retirement;

(c) Termination of the employer–employe relationship;

(d) Layoff, provided the layoff is complete and continuous for one year;

(e) No claim under this subsection shall be filed, however, until 6 consecutive months of removal from noisy

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[73] See Rule Ind 80.25 infra for determining loss of hearing. For occupational deafness the smaller loss is multiplied by 5, added to the greater loss, and the total divided by 6. The resulting percentage is the loss of hearing in both ears and is applied to the schedule allowance for loss of hearing in both ears.

Example:

Age 30

Hearing in left ear—40 per cent loss
Hearing in right ear—70 per cent loss

$$\frac{(40\% \times 5) \text{ plus } 70\%}{6} = 45\% \text{ loss of hearing in both ears}$$

Sec. 102.52 (17) and (18) for deafness due to trauma or accident.

employment after the time of injury except that under par. (d) such 6 consecutive months period may commence within the last 6 months of layoff.

(5) The limitation provisions in this act shall control claims arising under this section. Such provisions shall run from the first date upon which claim may be filed, or from the date of subsequent death, provided that no claim shall accrue to any dependent unless an award has been issued or liability admitted.

(6) No payment shall be made to an employe under this section unless he shall have worked in noisy employment for a total period of at least 90 days for the employer from whom he claims compensation.

(7) An employer shall become liable for the entire occupational deafness to which his employment has contributed; but if previous deafness is established by a hearing test or other competent evidence, whether or not the employe was exposed to noise within the 6 months preceding such test, he shall not be liable for previous loss so established nor shall he be liable for any loss for which compensation has previously been paid or awarded.

(8) Any amount paid to an employe under this section by any employer shall be credited against compensation payable by any employer to such employe for occupational deafness under subs. (3) and (4). No employe shall in the aggregate receive greater compensation from any or all employers for occupational deafness than that provided in this section for total occupational deafness.

102.56 Disfigurement. If an employe is so permanently disfigured about the face, head, neck, hand or arm as to occasion potential loss of wage, the commission may allow such sum for compensation on account thereof, as it deems just, not exceeding his average annual earnings as defined in s. 102.11.

102.565 Silicosis, nondisabling; medical examination; conditions of liability. (1) When an employe working subject to this chapter is, because he has a nondisabling silicosis, discharged from the employment in which he is engaged, or when an employe ceases such employment and

it is in fact inadvisable for him on account of a nondisabling silicosis to continue in it, and suffers wage loss by reason of such discharge, or such cessation, the commission may allow such compensation on account thereof as it deems just, not exceeding $7,000. In case of such discharge prior to a finding by the industrial commission that it is inadvisable for him to continue in such employment, the liability of the employer who so discharges his employe shall be primary, and the liability of the insurer shall be secondary, under the same procedure and to the same effect as provided by s. 102.62.

(2) Upon application of any employer or employe the commission may direct any employe of such employer or such employe who, in the course of his employment, has been exposed to the inhalation of silica, to submit to examination by a physician or physicians to be appointed by the industrial commission to determine whether such employe has silicosis, and the degree thereof. The cost of such medical examination shall be borne by the person making application. The results of such examination shall be submitted by the physician to the industrial commission, which shall submit copies of such reports to the employer and employe, who shall have opportunity to rebut the same provided request therefor is made to the commission within 10 days from the mailing of such report to the parties. The commission shall make its findings as to whether or not it is inadvisable for the employe to continue in his employment.

(3) If an employe shall refuse to submit to such examination after direction by the commission, or any member or examiner thereof, or shall in any way obstruct the same, his right to compensation under this section shall be barred.

(4) No payment shall be made to an employe under this section unless he shall have worked for the employer from whom he claims compensation in work exposing him to inhalation of silica for a total period of at least 90 days.

(5) Payment of a benefit under this section to an employe shall estop such employe from any further recovery whatsoever from any employer under this section.

102.57 Violations of safety provisions, penalty. Where injury is caused by the failure of the employer to comply with any statute or any lawful order of the commission, compensation and death benefits as provided in this chapter shall be increased 15 per cent. Failure of an employer reasonably to enforce compliance by employes with such statute or order of the commission shall constitute failure by the employer to comply with such statute or order.[74]

102.58 Decreased compensation. Where injury is caused by the * * *[75] failure of the employe to use safety devices where provided in accordance with any statute or lawful order of the commission and adequately maintained, and their use is reasonably enforced, by the employer, or where injury results from the employe's * * *[75] failure to obey any reasonable rule adopted by the employer for the safety of the employe and of which the employe has notice, or where injury results from the intoxication of the employe, the compensation, and death benefit provided herein shall be reduced 15 per cent.[76]

102.59 Pre-existing disability, indemnity, state fund, investment.[77] (1) If an employe has at the time of injury

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[74] Where an employer fails to enforce compliance with safety orders the effect is often the same as though safety devices and safe places of work were not provided. This results in increase in the number of injuries. The provision will hold liable the employer who may provide safety devices and then by acquiescence in non-use fail to accomplish the desired result as to safety.

[75] Effective August 1, 1965, the law was amended to delete the word "wilful."

[76] Compensation cannot be reduced by 15% for failure of the employe to use safety devices where provided and adequately maintained *except* as their use is reasonably enforced. It was felt unfair to permit a reduction of compensation in cases where the employer acquiesced in failure of the employe to make use of a guard or where by failure to enforce use the employer had virtually consented that the employe should be allowed not to use the safety device.

It is necessary for the employer to show that he made a reasonable effort to enforce such rules.

The safety device must be one which is provided in accordance with a statute or lawful order of the commission and not merely one adopted but not required.

Reduction for failure to obey a reasonable rule adopted by the employer can be made only (1) where a denfiite order is shown and (2) where the employe had notice of the rule.

[77] This subsection has a two-fold purpose: First to eliminate any incentive for discrimination against the employe who has serious previous disability when he comes to seek re-employment because of the employer's fear, real

permanent disability which if it had resulted from such injury would have entitled him to indemnity for 250 weeks less 2½ per cent thereof for each year of age above 50 years with no reduction in excess of 50 per cent, and, as a result of such injury, incurs further permanent disability, which entitles him to indemnity for 250 weeks less 2½ per cent thereof for each year of age above 50 years with no reduction in excess of 50 per cent, he shall be paid from the funds provided in this section additional compensation equivalent to the amount which would be payable for said previous disability if it had resulted from such injury or the amount which is payable for said further disability, whichever is the lesser, provided, that if said disabilities result in permanent total disability the additional compensation shall be in such amount as will complete the payments which would have been due had said permanent total disability resulted from such injury.[78] Such additional compensation shall accrue from the end of the period for which compensation for permanent disability resulting from such injury is payable by the employer, and shall be subject to the provisions of section 102.32 (6) and (7).

(2) In the case of the loss or of the total impairment of a hand, arm, foot, leg or eye, the employer shall be required to pay $1,500 into the state treasury. The payment shall be made in all such cases regardless of whether the employe, his dependent or personal representatives, commence action against a third party as provided in s. 102.29.

(3) The moneys so paid into the state treasury, with all accrued interest, is hereby appropriated to the commission

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or otherwise, that the loss of another member may subject him to very large indemnities on the ground that such loss would cause total or near total disability; *second,* to secure to the employe sustaining the loss or total impairment of a second member such amount of indemnity as the seriousness of the combined disabilities calls for.

Direct liability of the employer in case of the loss of the second member is made the same as for the loss of the first member, and the injured employe's rights are conserved by orders drawn on the fund for the balance of his indemnity. Primary liability of the employer for payment of $1,500 to the fund is insurable.

See Table 4, infra.

[78] To illustrate one who has previoulsy lost an arm at the shoulder at age 50 would have been entitled to 500 weeks' compensation. By second injury he loses his hand at the wrist and becomes entitled to 400 weeks' compensation. Over and above payment for second injury the employe may receive an additional 400 weeks of compensation from the fund.

for the discharge of all liability for special additional indemnity accruing under this section.

(4) For the proper administration of the funds available under this section the commission shall, by order, set aside in the state treasury suitable reserves to carry to maturity the liability for special additional indemnity in each case, and for any contingent death benefit. Such moneys shall be invested by the state of Wisconsin investment board, in the securities authorized in section 206.34.

102.60 Minor illegally employed, compensation. When the injury is sustained by a minor illegally employed, compensation and death benefits shall be as follows:

(1) Double the amount otherwise recoverable, if the injured employe is a minor of permit age, and at the time of the injury is employed, required, suffered or permitted to work without a written permit issued pursuant to chapter 103, except as provided in subsection (2).

(2) Treble the amount otherwise recoverable, if the injured employe is a minor of permit age, and at the time of the injury is employed, required, suffered, or permitted to work without a permit in any place of employment or at any employment in or for which the commission acting under authority of chapter 103, has adopted a written resolution providing that permits shall not be issued.

(3) Treble the amount otherwise recoverable if the injured employe is a minor of permit age, or over, and at the time of the injury is employed, required, suffered, or permitted to work at prohibited employment.

(4) Treble the amount otherwise recoverable, if the injured employe is a minor under permit age and illegally employed.

(5) A permit unlawfully issued by an officer specified in chapter 103, or unlawfully altered after issuance, without fraud on the part of the employer, shall be deemed a permit within the provisions of this section.

(6) If the amount recoverable under this section for temporary disability shall be less than the actual loss of

wage sustained by the minor employe, then liability shall exist for such loss of wage.

(7) The provisions of subsections (1) to (6) of section 102.60 shall not apply to employes as defined in subsection (6) of section 102.07 if the agency or publisher shall establish by affirmative proof that at the time of the injury the employe was not employed with the actual or constructive knowledge of such agency or publisher.

(8) This section shall not apply to liability arising under s. 102.06 unless the employer sought to be charged knew or should have known that the minor was illegally employed by the contractor or subcontractor.

(9) The increased compensation or increased death benefits recoverable under sub. (1) shall not exceed $5,000. The increased compensation or increased death benefits recoverable under subs. (2), (3) or (4) shall not exceed $7,500.

102.61 Indemnity under rehabilitation law. An employe who is entitled to receive and has received compensation pursuant to this chapter, and who is entitled to and is receiving instructions pursuant to the provisions of the Act of Congress known as the Vocational Rehabilitation Act, and amendments thereto, (Public Law 113 – 78th Congress) as administered by the state in which he holds residence or in which he resided at the time of becoming physically handicapped, shall, in addition to his other indemnity, be paid his actual and necessary expenses of travel and, if he received such instructions elsewhere than at the place of his residence, his actual and necessary costs of maintenance, during rehabilitation, subject to the following conditions and limitations:

(1) He must undertake the course of instruction within 60 days from the date when he has sufficiently recovered from his injury to permit of his so doing, or as soon thereafter as the officer or agency having charge of his instruction shall provide opportunity for his rehabilitation.

(2) He must continue in rehabilitation training with such reasonable regularity as his health and situation will permit.

(3) He may not have expenses of travel and costs of maintenance on account of training for a period in excess of 40 weeks in all.[79]

(4) The commission shall determine the rights and liabilities of the parties under this section in like manner and with like effect as it does other issues under compensation.

102.62 Primary and secondary liability; unchangeable. In case of liability for the increased compensation or increased death benefits provided for by section 102.57, or included in section 102.60, the liability of the employer shall be primary and the liability of the insurance carrier shall be secondary. In case proceedings are had before the commission for the recovery of such increased compensation or increased death benefits the commission shall set forth in its award the amount and order of liability as herein provided. Execution shall not be issued against the insurance carrier to satisfy any judgment covering such increased compensation or increased death benefits until execution has first been issued against the employer and has been returned unsatisfied as to any part thereof. Any provision in any insurance policy undertaking to guarantee primary liability or to avoid secondary liability for such increased compensation or increased death benefits shall be void. In case the employer shall have been adjudged bankrupt, or have made an assignment for the benefit of creditors, or if the employer, other than an individual, have gone out of business or have been dissolved, or if a corporation, its charter have been forfeited or revoked, the insurer shall be liable for the payment of increased compensation and death benefits without judgment or execution against the employer, but without altering the primary liability of the employer.

102.63 Refunds by state. Whenever the commission shall certify to the state treasurer that excess payment has

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[79] These provisions extend maintenance benefits during rehabilitation training to employes injured subject to the Wisconsin law but who are residents of other states. The provision provides actual and necessary expenses of travel and cost of maintenance other than at the place of residence. Maintenance may be arranged by any officer or agency having charge of instruction. The limit as to expense of travel and cost of maintenance for training is 40 weeks. See Sec. 41.71 infra for text of Rehabilitation Law.

been made under section 102.59 or under subsection (5) of section 102.49 either because of mistake or otherwise, the state treasurer shall within five days after receipt of such certificate draw an order against the fund in the state treasury into which such excess was paid, reimbursing such payor of such excess payment together with interest actually earned thereon.

102.64 Attorney-general shall represent state and commission. (1) The attorney-general shall represent the state in all cases involving payment into or out of the state treasury under s. 20.550 (1) or ss. 102.49 or 102.59. He shall have power to compromise the amount of such payments but such compromises shall be subject to review by the commission. If the wife or husband of the deceased employe compromises her or his claim for primary death benefit, the claim of the children of such employe under s. 102.49 shall be compromised on the same pro rata basis subject to approval by the commission.[80]

(2) In all proceedings upon claims for compensation against the state, the attorney-general may appear on behalf of the state.

(3) In any action to review an order or award of the commission, and upon any appeal therein to the supreme court, the attorney-general shall appear on behalf of the commission, whether any other party defendant shall be represented or not, except that in actions brought by the state the governor shall appoint an attorney to appear on behalf of the commission.

102.65 Compensation security funds. (The text of this section is not printed in this pamphlet. This provision is for the establishing of workmen's compensation security funds for the payment of compensation in case of insolvency of insurance carriers.)

102.66 Waiver of payments. Any person entitled to death benefits, burial expenses, and medical and incidental com-

[80] This eliminates the question of whether liability for children's benefits may be denied where compromise of a parent's claim has been made. Issues involved are the same in both cases so adjustment also is on a comparable basis.

pensation payments under this chapter who may otherwise be entitled to payments under s. 66.191 (2) may file with the commission a written election to waive the death and burial expense payments due under this chapter and accept in lieu thereof such death benefit payments as may be due under s. 66.191 (2) plus such medical and incidental compensation payments as may be due under s. 102.42. No person shall receive death and burial expense payments under both s. 66.191 (2) and ch. 102.

OTHER STATUTES AFFECTING WORKMEN'S COMPENSATION

16.31 (1) Hazardous employment, injuries, salary continued. Whenever a conservation warden, *conservation patrol boat captain, conservation patrol boat engineer,* state forest ranger, field employe of the conservation department who is subject to call for fire control duty, member of the state patrol, state motor vehicle inspector, * * * *fire marshal, lifeguard, special agent for the attorney general, special tax agent, state drivers' license examiner,* member of the state fair police department, state university * * * policemen, state beverage tax investigator, *engineer, engineering aid,* fire watchman employed at the Grand Army home, or guard or institutional aid or a state probation and parole officer or any other employe whose duties include supervision and discipline of inmates *or wards of the state at the Wisconsin child center or* at a state penal institution, including central state hospital, the state school for boys, the state school for girls, or while on parole supervision outside of the confines of the institutions, or supervision of persons placed on probation by a court of record, or supervision and care of patients at a state mental institution, *and university hospitals,* suffers injury while in the performance of his duties, as defined in subs. (2) and (3), he shall continue to be paid his full monthly salary by his employing department upon the same basis as he was paid prior to the injury. Such full monthly salary shall be paid to the employe while he is unable to work as the result of the injury for not to exceed 3 months *upon recommendation of the appointing officer and approval of the director of*

personnel. When the employe is paid such salary under this section there shall be no deduction from his sick leave credits, compensatory time for overtime accumulations or vacation.

(2) "Injury" as used in this section is physical harm to an employe caused by accident or disease.

(3) As used in this section "Performance of duties" means duties performed in line of duty by:

(a) A forest ranger or field employe of the conservation department who is subject to call for forest fire control duty or fire watchman employed at the Grand Army home, *and lifeguard,* at all times while:

1. Driving or riding in a vehicle, aircraft or boat under circumstances which require hazardous maneuvering or speed in excess of the normal or posted limits in the performance of fire control duties;

2. Engaged in an effort to save lives, recover dead bodies, or protect public or private property;

3. Going to or returning from a fire and while engaged in the suppression of a fire; or

4. Engaged in public demonstration or training exercises provided such demonstration or training exercises are authorized by the appointing authority.

(b) A conservation warden, *conservation patrol boat captain, conservation patrol boat engineer,* a member of the state patrol, state motor vehicle inspector, university * * * policemen, * * * member of the state fair police department, * * * state beverage tax investigator, *special tax agent, special agent of the attorney general* and *fire marshal* at all times while:

1. In the process of making an arrest or investigating any violation or suspected violation of the law or the quelling of a riot or any other violence;

2. Engaged in an effort to save lives, recover dead bodies or protect public or private property;

3. Driving or riding in a vehicle, aircraft or boat under circumstances which require hazardous maneuvering or speed in excess of the normal or posted limits in the performance of law enforcement duties; or

4. Engaged in public demonstration or training exercises provided such demonstration or training exercises are authorized by the appointing authority.

(c) A guard, institution aid, or other employe * * * *at the Wisconsin child center, university hospitals or at* state penal and mental institutions, including central state hospital, the state school for boys, the state school for girls and state probation and parole officers, at all times while:

1. In the process of quelling a riot or disturbance or other act of violence;

2. In the process of restraining patients, inmates, probationers or parolees and apprehending runaways or escapees, including probationers and parolees;

3. When injury is inflicted as the result of an assault or act of violence by a patient, inmate, probationer or parolee; or

4. In the process of making an arrest or investigating any violation or suspected violation of law pursuant to police powers, authorized by s. 46.05 (2) and rules adopted pursuant thereto.

5. *Going to or returning from a fire, engaging in the suppression of a fire, evacuating patients or inmates of a fire or engaging in fire drills.*

6. *When disease is contracted as a result of exposure to such disease arising out of the care of inmates or patients.*

(d) A drivers' license examiner at all times while examining drivers, conducting road tests or checking motor vehicles.

(e) An engineering aid or engineer at all times while:

1. Driving or riding in vehicles which require hazardous maneuvering of excessively slow speed while marking or measuring physical characteristics of highways.

2. Surveying or inspecting within the right of way of highways on which traffic is maintained.

3. Surveying or inspecting on construction sites where heavy equipment is operating.

4. Investigating or inspecting highways, structures or terrain under hazardous conditions.

(4) In case an employe is denied benefits provided by this section by the employing department *or the director of per-*

sonnel, the employe shall have a right of appeal to the personnel board. The personnel board shall conduct hearings under the rules prescribed by the board and shall make an order granting or denying the application for benefits or making a determination as to the duration thereof. The personnel board shall, pursuant to s. 16.05, adopt rules for the administration of this section.

20.550 Miscellaneous general appropriations. There is appropriated from the general fund, or such other funds as may be indicated, annually, to be paid as herein provided:

(1) COMPENSATION, INJURED STATE EMPLOYES. Annually, such sums as may be necessary for payments as provided in ch. 102, and under ss. 56.21 and 66.191, except that payments of increased compensation payable under ss. 102.57 and 102.60, shall be paid from the appropriation covering the salary or maintenance of the person injured, provided such appropriation has not been exhausted; otherwise payments shall be made from the general fund and the first $200 of compensation thus paid from the general fund in the case of any person whose work was financed from a segregated fund or account shall be charged to that fund or account.

22.01 Civil defense. (11) (d) *Workmen's compensation coverage.* Employes of municipal and county civil defense units are employes of the municipality or county to which the unit is attached for purposes of workmen's compensation benefits. Employes of the area and state civil defense units are employes of the state for purposes of workmen's compensation benefits. Volunteer civil defense workers are employes of the civil defense unit with whom duly registered in writing for purposes of workmen's compensation benefits. A civil defense employe or volunteer who engages in civil defense activities upon order of any echelon in the civil defense organization other than that which carries his workmen's compensation coverage shall be eligible for the same benefits as though employed by the governmental unit employing him. Any employment which is part of a civil defense program including but not restricted because of enumeration, test runs and other activities which have a training

objective as well as civil defense activities during an emergency proclaimed by the governor and which grows out of, and is incidental to, such civil defense activity is covered employment. Members of a civil defense unit who are not acting as employes of a private employer during civil defense activities are employes of the civil defense unit for which acting. If no pay agreement exists or if the contract pay is less, pay for workmen's compensation purposes shall be computed at $2,080 per annum.

(e) *Indemnification of employe.* Civil defense employes as defined in par. (d) shall be indemnified by their sponsor against any tort liability to third persons incurred in the performance of civil defense activities while acting in good faith and in a reasonable manner. Civil defense activities constitute a governmental function.

(f) *State reimbursement.* If the total liability for workmen's compensation benefits under par. (d), indemnification under par. (e) and loss from destruction of equipment under sub. (12), incurred in any calendar year exceeds $1 per capita of the sponsor's population, the state shall reimburse the sponsor for the excess. Payment shall be made from the appropriation in s. 20.270 (1) on certificate of the state director.

(g) *Pay.* Civil defense employes as such shall receive no pay unless specific agreement for pay is made.

41.71 Rehabilitation law. (1) The state of Wisconsin hereby assents to and accepts the provisions and benefits of the act of congress entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment," approved June 2, 1920, and any amendatory or supplementary acts thereto as the congress of the United States may enact. The state board of vocational and adult education shall cooperate, pursuant to agreements, with the federal government and the United States Office of Vocational Rehabilitation in carrying out the purposes of any federal statutes pertaining to vocational rehabilitation and is authorized to adopt such methods of administration

as are found by the federal government to be necessary for the proper and efficient operation of such agreements or plans for vocational rehabilitation and to comply with such conditions as may be necessary to secure the full benefits of such federal statutes. The state treasurer is designated and appointed custodian of all moneys received by the state from the federal government for the purpose of carrying out any federal statutes pertaining to vocational rehabilitation, and to make disbursements therefrom and from all state funds available for vocational rehabilitation purposes upon the order of the state board of vocational and adult education.

(2) This section may be cited as the "Rehabilitation Law."

(3) As used in this section the terms:

(a) "Handicapped person" means any person who, by reason of a physical or mental defect or infirmity, whether congenital or acquired by accident, injury or disease, is or may be expected to be totally or partially incapacitated for remunerative occupation, and who may reasonably be expected to be fit to engage in a remunerative occupation after receiving vocational rehabilitation service.

(b) "Rehabilitation" means the rendering of a handicapped person fit to engage in a remunerative occupation.

(c) "Board" means the state board of vocational and adult education.

(d) "Federal act" means the act of congress entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment," approved June 2, 1920, and any amendatory or supplementary acts thereto.

(e) "Homebound person" means one who, because of the severity of his physical or mental disabilities, is not expected to be able to compete with the able-bodied persons in normal employment.

(4) The provisions of this section shall not apply to any person who, in the judgment of the board, may not be susceptible of rehabilitation.

(5) Any handicapped person who has been domiciled within the state for one year or more, or who resides in the state and shall so reside at the time of becoming handicapped, may apply to the board for advice and assistance relative to his rehabilitation.

(6) The board shall:

(a) Provide that all persons reporting or making application to it as handicapped shall be promptly visited by its agent or representative with a view of determining whether or not vocational rehabilitation is feasible; acquaint all such persons for whom vocational rehabilitation is feasible with the rehabilitation facilities afforded by the state and counsel them regarding the selection of a suitable vocation; register all such persons electing to take advantage of the benefits of rehabilitation offered and prescribe and provide such training as may be necessary to insure their vocational rehabilitation; maintain a record of all such persons, together with the measures taken for their rehabilitation; utilize in the rehabilitation of such persons such existing educational facilities of the state as may be advisable and practicable including public and private educational institutions, public and private establishments, plants or factories and the services of persons specially qualified for the instruction of handicapped persons.

(b) Promote and aid in the establishment of schools and classes for the rehabilitation of handicapped persons; supervise the training of such persons and confer with their relatives and other persons interested concerning any matter affecting their vocational rehabilitation.

(c) Aid handicapped persons in securing such employment as will facilitate their training or will be suitable to their condition and provide for the placement in suitable gainful occupation of persons completing courses of training provided by the board, including supervision for a reasonable time after placement.

(d) Utilize the facilities of such agencies, both public and private, as may be practicable in securing employment for such persons and all public agencies are authorized and directed to cooperate with the board for the purposes stated.

(e) Procure and furnish at cost to handicapped persons artificial limbs and other orthopedic and prosthetic appliances, to be paid for in installments, when such appliances cannot be otherwise provided. The installment payments shall be paid to the state treasurer and shall be held by him in a special fund for the purpose of this paragraph. Payments from this fund shall be made at the direction of the board.

(f) Arrange for the physical or psychiatric examination of any person applying for or reported as needing rehabilitation; and arrange for such therapeutic treatment as may be necessary for rehabilitation of any handicapped person who registered with the board, except persons who are entitled to such treatment under the workmen's compensation law.

(g) Cooperate with any department in the state government, the federal government or with any county or other municipal authority within the state, or with any private agency, in carrying out this section.

(h) Make such rules and regulations as may be necessary to carry out the provisions of this section.

(i) Report to the governor and to the U. S. Office of Vocational Rehabilitation annually on or before September first for the year ending the preceding June thirtieth.

(7) Pursuant to rules, regulations, and standards prescribed by the state board of vocational and adult education, the board may provide maintenance cost during actual training to handicapped persons registered for rehabilitation services, except that no maintenance cost shall be provided to persons receiving maintenance cost under section 102.61 of the workmen's compensation act.

(8) The industrial commission shall communicate to the board all reports made to the said commission of cases of injury to employes which in the opinion of the commission may render the persons injured handicapped; and shall cooperate with the board in carrying out the provisions of this section.

(9) The state board of health shall:

(a) Cooperate with the board in arranging with all public and private hospitals, clinics, and dispensaries and with

practicing physicians, to send to the board prompt and complete reports of any persons under treatment in such hospitals, clinics or dispensaries, or by such physicians, for any injury or disease that may render them handicapped.

(b) Arrange with health officers to send to the board prompt and complete reports of any persons who in the course of their official duties they find to be suffering from any injury or disease that may render them handicapped, if such persons have not already been reported.

(c) Cooperate generally with the board in carrying out the provisions of this section.

(10) The board and the industrial commission shall cooperate in carrying out the provisions of this section according to a plan which shall be formulated by them and which shall be effective when approved by the governor.

50.04 Maintenance charges. (3) Any patient who has a legal settlement in this state or any patient who, or whose parent, if the patient is a minor, has resided in this state for 5 years or more in the aggregate prior to his application for admission, and 90 days of which residence is within 5 years next preceding his application, shall be cared for at any county tuberculosis sanatorium without charge to him, regardless of his ability to pay, and the cost of his care shall be charged against the state subject to a charge over against the county of his legal settlement as provided in s. 50.09 (2). If any such patient is the beneficiary of a policy of hospitalization, health or accident insurance or other contract covering care in a tuberculosis sanatorium, he shall be liable to pay the cost of his care to the extent of the liability on such policy, insurance or contract as determined by the admitting court, except that such liability shall not include amounts payable as disability benefits under any such policy. If any patient treated in a tuberculosis sanatorium operated by this state or any of its political subdivisions is entitled to workmen's compensation by reason of his tuberculosis, the cost of his care shall be recoverable by such institution, in the same proceeding that such patient takes for the recovery of his workmen's compensation. Such institution shall be deemed a party in interest in such proceeding and shall be

entitled to notice of any such proceeding and may appear in such proceeding for the purpose of prosecuting its right to recovery. No settlement of workmen's compensation of the claim of such patient shall be approved by the industrial commission that does not provide for the payment of the cost of the care of such patient. Nothing contained in this subsection shall prohibit any patient from paying all or a part of the cost of his care if he so desires.

56.21 Compensation to injured prisoners. If an inmate of a state institution in the performance of his assigned work is injured so as to permanently incapacitate him or materially reduce his earning power, he may, upon being released from such institution, either upon parole or upon final discharge, be allowed and paid such compensation as the industrial commission finds him entitled to. He shall be compensated on the same basis as he would be had the injury been covered by the workmen's compensation act, except that the total paid to any such inmate shall not exceed $5,000 and may be paid in installments. If the injury results from employment in a prison industry, the payment shall be made from the revolving appropriation for its operation. If there is no revolving appropriation, payment shall be made from the general fund.[81]

66.191 Special death and disability benefits for certain public employes subject to Wisconsin retirement act. (1) Whenever a policeman, fireman, conservation warden, deputy state fire marshal, state forest ranger, field employe of the conservation commission who is subject to call for forest fire control or warden duty, member of the state traffic patrol, state university full-time policeman, guard or any other employe whose principal duties are supervision and discipline of inmates at a state penal institution, including central state hospital, or state beverage tax investigator who is a participating employe under ss. 66.90 to 66.918

[81] This provision applies in favor of all inmates of state institutions regardless of whether or not they are penal institutions. In line with dictionary definitions, an inmate must be considered as one who is confined against his will. The provision, therefore, does not apply in favor of students in the school for deaf and blind, or other similar institutions, but does apply in case of inmates of state insane asylums, home for feeble minded, reformatories, state prisons, etc.

shall, while engaged in the performance of duty, be injured or contract a disease due to his occupation, and be found upon examination to be so completely and presumably permanently disabled, either physically or mentally, as to render necessary his retirement from any of the aforesaid services, the industrial commission shall order payment to him monthly, under s. 20.550 (1) or 102.21, of a sum equal to one-half his monthly salary in such service at the time that he became so disabled.

(2) If such injury or disease shall cause the death of such person, and he shall die leaving surviving a widow or an unmarried child under the age of 18 years, the commission shall order monthly payments as follows:

(a) To the widow, unless she shall have married the deceased after he sustained such injury or contracted such disease, one-third of the monthly salary being paid to the deceased in such service at the time of his disability or death, until she marries again.

(b) To the guardian of each such child, $15 until he becomes 18 years of age; provided that the total monthly payments ordered under this subsection shall not exceed 65 per cent of the monthly salary being paid to the deceased in such service at the time of his disability or death, and there shall be a pro rata reduction in the benefits paid hereunder, if necessary, in order to comply with such limitation. On or before January 15 in each year any widow entitled to a benefit under this subsection shall file with the municipality which makes payments hereunder an affidavit stating that she has not married again. The monthly payment ordered to any widow under this subsection shall begin in each calendar year only after such affidavit shall have been filed with the clerk of such municipality, and no payment shall be made for any month in such year prior to the one in which such affidavit was filed.

(c) Any person entitled to death benefit payments under this subsection may file with the commission a written election to waive such payments and accept in lieu thereof such death benefits, burial expenses, and medical and incidental compensation payments as may otherwise be due under ch. 102, but no person shall receive death and burial expense payments under both ch. 102 and this subsection.

(3) Any policeman, fireman or conservation warden who has fulfilled all other requirements for inclusion as a participating employe under the Wisconsin retirement fund shall be eligible to the benefits payable under this section during the qualifying period established pursuant to s. 66.901 (4) (d).

(4) This section shall be administered by the industrial commission, which may adopt necessary rules relating to hearings, investigations and other matters in connection with applications for benefits under this section.

(5) Any person entitled to disability benefit payments under this section may file with the commission and the board of trustees of the Wisconsin retirement fund a written election to waive such payments and accept in lieu thereof such payments as may otherwise be due under s. 66.907; but no person shall receive disability benefit payments under both s. 66.907 and this section.[82]

66.315 Peace officers; compensation when acting outside own municipality. (1) Any chief of police, county traffic officer or other peace officer of any city, village or town, who shall be required by command of the governor, sheriff or other superior authority to maintain the peace or who shall respond to the request of the authorities of another municipality, to perform police or peace duties outside territorial limits of the city, village or town where employed as such officer, shall be entitled to the same wage, salary, pension, workmen's compensation, and all other service rights for such service as for service rendered within the limits of the city, village or town where regularly employed.

(2) All wage and disability payments, pension and workmen's compensation claims, damage to equipment and clothing, and medical expense, shall be paid by the city, village or town regularly employing such peace officer. Upon making such payment such city, village or town shall be reimbursed by the state, county or other political subdivision whose officer or agent commanded the services out of which the payments arose.

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[82] This amendment was effected by Chapter 268, Laws of 1963.

66.907 (4) Election of benefits; waiver. Any person entitled to payments under this section who may otherwise be entitled to payments under s. 66.191 may file with the board and the industrial commission a written election to waive payments due under this section and accept in lieu thereof such payments as may be payable under s. 66.191, but no person shall receive payments under both s. 66.191 and this section. However, any person otherwise entitled to payments under this section may receive such payments, without waiver of any rights under s. 66.191, during such period as may be required for a determination of such person's rights under s. 66.191. Upon the final adjudication of such person's rights under s. 66.191, if waiver is filed under this section, such person shall immediately cease to be entitled to payments under this section and the fund shall be reimbursed for all payments made under this section, from the award made under s. 66.191, in accordance with such rules as are prescribed by the board and the industrial commission.

83.17 County may assume compensation liability; agreements with localities. Whenever a county contributes funds to a highway project undertaken by a town, village or city in the county or a city, town or village has its highways maintained by the county with local funds, the county through its county highway committee may assume the liability under the workmen's compensation act of the town, village or city to any employe on such project, and may by agreement with the governing body of the town, village or city provide for the amount the town, village or city shall pay to the county for the assumption of such liability. Such action of the county highway committee shall remain in effect until the county board by resolution disapproves of such action.

101.01 Definitions of terms used. The phrase "place of employment" includes every place, whether indoors or out or underground and the premises appurtenant thereto where either temporarily or permanently any industry, trade or business is carried on, or where any process or operation, directly or indirectly related to any industry,

trade or business, is carried on, and where any person is, directly or indirectly, employed by another for direct or indirect gain or profit, but does not include any place where persons are employed in (a) private domestic service which does not involve the use of mechanical power or (b) farming. The term "farming" includes those activities specified in s. 102.04 (3), and also includes the transportation of farm products, supplies or equipment directly to the farm by the operator of said farm or his employes for use thereon, if such activities are directly or indirectly for the purpose of producing commodities for market, or as an accessory to such production.

101.06 Employer's duty to furnish safe employment and safe place. Every employer shall furnish employment which shall be safe for the employes therein and shall furnish a place of employment which shall be safe for employes therein and for frequenters thereof and shall furnish and use safety devices and safeguards, and shall adopt and use methods and processes reasonably adequate to render such employment and places of employment safe, and shall do every other thing reasonably necessary to protect the life, health, safety, and welfare of such employes and frequenters. Every employer and every owner of a place of employment or a public building now or hereafter constructed shall so construct, repair or maintain such place of employment or public building as to render the same safe.

101.20 Witness fees. Each witness who shall appear before the commission by its order shall receive for his attendance the fees and mileage now provided for witnesses in civil cases in courts of record, which shall be audited and paid by the state in the same manner as other expenses are audited and paid, upon the presentation of properly verified vouchers approved by the chairman of the commission, and charged to the proper appropriation for the industrial commission. But no witness subpoenaed at the instance of parties other than the commission shall be entitled to compensation from the state for attendance or travel unless the commission shall certify that his testimony was material to the matter investigated.

103.37 Certain requirements to obtaining employment prohibited. (1) It shall be unlawful for any employer, as defined in subsection (2) to require any employe or applicant for employment to pay the cost of a medical examination required by the employer as a condition of employment.

(2) The term "employer" as used in this section shall mean and include an individual, a partnership, an association, a corporation, a legal representative, trustee, receiver, trustee in bankruptcy, and any common carrier by rail, motor, water, air or express company doing business in or operating within the state.

(3) The term "employe" shall mean and include every person who may be permitted, required or directed by any employer, as defined in subsection (2) in consideration of direct or indirect gain or profit, to engage in any employment.

(4) Any employer who violates the provisions of this section shall be liable to a fine of not more than $100 for each and every violation. It shall be the duty of the public service commission and the industrial commission to enforce this section.

205.05 Rate making. (3) Rates or rating plans shall not take into account the physical impairment of employes. Any employer who applies or promotes any oppressive plan of physical examination and rejection of employes or applicants for employment shall forfeit the right to the advantages of experience rating. If the industrial commission finds that grounds exist for such forfeiture it shall file with the commissioner a certified copy of its findings, which filing shall automatically suspend any experience rating credit which may accrue to such employer. The determination shall be made as prescribed in ss. 101.13 to 101.26, so far as such sections are applicable subject to review under ch. 227. Restoration of an employer to the advantages of experience rating shall be by like procedure.

205.15 Insurance of rejected workmen's compensation risks. (1) The members of the workmen's compensation bureau, established pursuant to s. 205.03, shall accept any workmen's compensation risk tendered to and rejected by any member of said bureau in the manner herein provided.

(2) When any such rejected risk is called to the attention of the bureau and it appears that the risk is in good faith entitled to coverage, the bureau shall fix the initial premium therefor, and, upon payment thereto, it shall designate a member who shall issue a policy containing the usual and customary provisions found in such policies therefor, but for which undertaking all members of the bureau shall be reinsurers as among themselves in the amount which the compensation insurance written in this state during the preceding calendar year by such member bears to the total compensation insurance written in this state during the preceding year by all members of the bureau.

(3) The bureau shall make and adopt such rules as may be necessary to carry this section into effect, subject to an appeal to the commissioner as in all other cases. Any decision of such bureau under this section shall be subject to review on appeal to the commissioner.

(4) As a prerequisite to the transaction of workmen's compensation insurance in this state, every insurer shall file with the commissioner written authority permitting the bureau to act in its behalf.

325.05 Witness' and interpreter's fees. (1) The fees of witnesses and interpreters shall be as follows:

(a) For attending before a justice of the peace, or any arbitrators or any board or committee thereof of any town, city or village, for witnesses $4 for each day, for interpreters $4 per day.

(b) For attending before any other court, officer, board or committee, for witnesses $5 for each day, for interpreters $10 per half day.

(c) For traveling, at the rate of five cents per mile going and returning from his residence (if within the state); or, if without, from the point where he crosses the state boundary in coming to attend to the place of attendance, and returning by the usually traveled route between such points.

(2) A witness or interpreter shall be entitled to fees only for the time he shall be in actual and necessary attendance as such; and shall not be entitled to receive pay in more than one action or proceeding for the same attendance or

travel on behalf of the same party. No person shall be entitled to fees as a witness or interpreter while attending court as an officer or juror; nor shall any attorney or counsel in any case be allowed any fee as a witness or interpreter therein.

325.12 Coercing witnesses before officers and boards. If any person shall, without reasonable excuse, fail to attend as a witness, or to testify as lawfully required before any arbitrator, coroner, board, commission, commissioner, examiner, committee, or other officer or person authorized to take testimony, or to produce a book or paper which he was lawfully directed to bring, or to subscribe his deposition when correctly reduced to writing, any judge of a court of record or court commissioner in the county where the person was obliged to attend may, upon sworn proof of the facts, issue an attachment for him, and unless he shall purge the contempt and go and testify or do such other act as required by law, may commit him to close confinement in the county jail until he shall so testify or do such act, or be discharged according to law. The sheriff of the county shall execute the commitment.

328.45 Presumption of employment connected disease. In any proceedings involving the application by a municipal fireman or his beneficiary for disability or death benefits under s. 66.191 or any pension or retirement system applicable to firemen, where at the time of death or filing of application for disability benefits the deceased or disabled fireman had served a total of 5 years as a fireman and a qualifying medical examination given prior to the time of his joining the department showed no evidence of heart or respiratory defect or disease, and where the disability or death is found to be caused by heart or respiratory defect or disease, such finding shall be presumptive evidence that such defect or disease was caused by such employment.

WORKMEN'S COMPENSATION

RULES OF PRACTICE

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Ind 80.01 General. The rules of practice at hearings before the industrial commission will conform generally to the rules of practice before courts of equity. The aim is to secure the facts in as direct and simple a manner as possible.

Ind 80.02 Reports. (1) *Employers* under the provisions of the workmen's compensation act within one day after the fatal termination of an accident or industrial disease, shall make a brief report of this occurrence to the industrial commission by telegraph, telephone or by letter. They shall also make a report on form WC–12 (formerly A–12) on the fourth day after the accident or beginning of disability from occupational disease upon every accident or disease causing death or a disability which exists beyond the third day after the employee leaves work as a result of the accident.

(2) *Self-insured employers and insurance companies* on all accidents which require a first report must:

(a) Make a supplementary report on form WC–13 (formerly A–13) on the eleventh day following that on which the accident occurred.

(b) Make another supplementary report immediately when payments are stopped for any reason. This report must be accompanied by an explanatory memorandum, with copy being furnished the injured claimant, if there is a dispute with the injured man.

(c) Make a final report on form WC–13 when final payment of compensation has been made, which must be accompanied by (a) a copy of the final receipt signed by the injured employe, and (b) a report from a physician, if the disability exceeds 3 weeks or if there is any permanent disability, unless there has been a hearing before the commission.

(d) Supply to the employe copy of final report on form WC–13 in all cases at the time of final payment, and final physician's report in cases where disability has extended beyond 3 weeks following the date of injury, or where permanent disability has resulted.

(e) Make immediate report of any amputation which requires an artificial member or appliance.

Ind 80.03 Compromise. In any case where an accident and injury to an employe occurs of which the commission has jurisdiction under the compensation act, and a compromise of liability thereunder is made directly by such employer and employe, the same shall be made in writing in the presence of one or more disinterested witnesses who shall sign such compromise, and copies of all such compromises shall be mailed immediately to the industrial commission by the employer. All compromises may be reviewed, set aside, modified or confirmed by the commission upon application of either party within one year from the date of the compromise. (Section 102.16, Wis. Stats.)

Ind 80.04 Place of hearing. The commission at its discretion may from time to time hold public sessions other than in the state capitol.

Ind 80.05 Procedure on claim. (1) In case of disputes in matters coming under the jurisdiction of the commission, either party to the dispute may apply to the commission for relief and the commission shall make such order or award as shall be lawful and just in the premises.

(2) In all such cases the party complaining shall file his application with the commission, with copies to be served on the adverse party. The commission shall thereupon serve such adverse party with a copy of such application and such adverse party shall file his answer thereto with the commission within 10 days after such service and likewise serve a copy of such answer on the party making the application. The commission will thereupon notify the parties of the time and place of hearing, at least 10 days prior to such hearing. (Section 102.17, Wis. Stats.)

Ind 80.06 Parties. The parties to the controversy shall be known as the applicant and the respondent. The party filing the application for relief shall be known as the applicant and the adverse party as the respondent. Either party may appear in person or by an attorney or agent.

Ind 80.07 Service. All service of papers, unless otherwise directed by the commission or by law, may be made by mail and proof of such mailing shall be prima facie proof of such service. Time within which service shall be made shall be the same as in courts of record unless otherwise specified by rule or order of the commission.

Ind 80.08 Amendments. Amendment may be made to any pleading upon application to the commission and cause shown. The commission may on its own motion, modify or change its order, finding or award at any time within 20 days from the date thereof if it shall discover any mistake therein.

Ind 80.09 Extension of time and postponement. The commission may grant extensions of time in which to comply with any rule when it shall deem such extensions of time reasonable and it may likewise grant adjournments of hearings.

Ind 80.10 Stipulations. Parties to a controversy may stipulate the facts in writing, and the commission may thereupon make its order or award. Stipulations must set forth in detail the manner of computing the compensation due and must be accompanied by a report from a physician stating the extent of the disability.

Ind 80.11 Depositions. At the discretion of the commission depositions may be taken and used upon any hearing where the convenience of the witnesses or parties may so require. Such depositions shall be taken in the same manner as in courts of record. Depositions for the purpose of discovery before hearing are specifically prohibited by law, with certain exceptions as provided by section 102.17 (1) (bm), Wis. Stats.

Ind 80.14 Transcripts. (1) In cases pending before the commission, transcripts of testimony taken or proceedings had before the commission will be furnished to the applicant or respondent or their attorneys in accordance with the following provisions:

(a) Prior to the commencement of an action to review its order or award, the commission may furnish to any party a copy of such testimony or proceedings upon payment of the sum of 20 cents per folio and 5 cents per folio for each additional copy thereof.

(b) After the commencement of such action or proceedings, a copy of such testimony will be furnished to the plaintiff or to his attorney, upon payment of the sum of 20 cents per folio and 5 cents per folio for each additional copy thereof, and all other parties will be furnished copies upon payment of 5 cents per folio.

(c) Upon proper showing of financial inability to pay for copies of such testimony or proceedings, the commission in its discretion will furnish copies of the same on such terms as may be agreed.

Ind 80.15 Exception from insurance; conditions. (1) As a condition for an exemption, deposits of securities, a surety bond or both shall be required in the following cases:

Persons and Partnerships:

(a) Where the net resources, exclusive of exemptions, are less than $25,000.

(b) Where the net resources, exclusive of exemptions, do not equal $1,500 for each employe up to 20 in number, and $400 for each additional employe up to 50 and $100 for each additional employe.

(c) Where the liabilities, exclusive of capital, exceed 75% of the resources, excluding exemptions.

(2) The industrial commission reserves the right to require a surety bond, or a deposit of security, in individual cases, regardless of the amount of net assets.

Ind 80.16 Exemptions from insurance; automatic. The state and all of its political subdivisions and all state and national banks are exempt from insurance of their liability under the compensation act, without further order of this commission. Any county training school board, county school board, school district board, board of education, board of industrial education, board of park commissioners, board of public works, board of drainage district commissioners, metropolitan sewerage commission and any board of public utilities created under subsection (1) of section 66.068, Wis. Stats., may carry a workmen's compensation insurance policy separate and distinct from any carried by the county, town, village or city in which it is located. However, partial insurance or divided insurance of the risk of any political division, board or commission, may not be carried, except upon written order of this commission. Any municipality which has

entered into an agreement with one or more other municipalities for the joint operation of a fire department composed wholly or partly of volunteers may separately insure its liability under the compensation act for injury to any fireman.

Ind 80.17 Excess insurance. An employer who has been granted exemption from insuring his risk under the workmen's compensation act may carry excess insurance in accordance with regulations of the insurance commissioner without further order of this commission, and such excess insurance shall not be deemed full coverage.

Ind 80.18 Procedure in state cases. (1) The following reports and statements are required in claims for compensation or medical aid by an employe of the state.

(a) In all cases where disability extends beyond the three-day waiting period or permanent disability results, the first report of injury on form WC–12 is to be submitted to the Industrial Commission by the employing department.

(b) In all cases in which any disability results or medical expense is involved, a statement by the employe on form to be supplied by the industrial commission that he was injured in the course of his employment, reciting time and place of injury, the reasons for its occurrence, the nature of injury and stating all expenditures incurred for medical, surgical, hospital treatment, and medicines, to the time of the claim; whether claim is made for disability; if so, what period of temporary disability and what permanent disability is claimed, and what salary has been paid by the state during the period of disability. If bills have been paid by the injured, receipts are to be attached.

(c) A report from the attending physician showing the nature of injury and the extent of disability. This may be made on form supplied by the commission.

(d) Bill from the physician and/or hospital itemizing services rendered and charges made. This need not be verified.

(e) A statement from the employing department stating whether injury occurred in the course of employment, and whether treatment is believed necessary as claimed. This will be made in conjunction with employe's statement and on the same form. If the department is unable to make statement the reason is to be stated.

(f) A state employe who sustains an accidental injury may select his own physician; and if the case is compensable, the industrial commission will order reimbursement for reasonable medical, surgical, and hospital care, including charges for necessary medical examinations and reports. The employing department has no authority to incur any liability for medical or surgical treatment or hospital care. The employing department is not a party to a claim for compensation; the state of Wisconsin is considered the employer, and the attorney general represents the state in such cases.

(2) If the statements supplied and inquiry or investigation by the commission and/or attorney general leave doubt as to legitimacy of the claim, hearing will be scheduled.

(3) The attorney general will appear for the state if hearing is set.

(4) Applicable forms will be supplied to employes and to employing department by the industrial commission upon request.

(5) Where payment of medical expense is authorized by the employing department under the provisions of subsection 102.42 (8) Wis. Stats., up to a gross of $50 for each injury, form WC–7c is to be sent to the commission enumerating thereon the amounts of the expenses being authorized for payment and a voucher is to be sent to the Bureau of Finance with itemized statements of expenses incurred attached thereto.

Ind 80.19 Procedure on review by commission. (1) The following rules shall govern proceedings on appeal from the order of an individual examiner or commissioner to the industrial commission.

(a) The party appealing shall file his petition with the industrial commission, setting forth separately the particular finding or findings as to which it is claimed error has been made.

(b) The commission shall forthwith proceed to review the record. If it shall appear that there may be error, the commission shall set aside the order, or direct the taking of additional testimony; otherwise it shall affirm such findings and order.

1. If the commission affirms the original decision, or directs the taking of further testimony, notice to that effect will be served on all parties in interest.

2. If the commission sets aside the original decision, the commission shall forthwith notify the opposing party, who shall have 10 days from date of notice in which to make answer.

(c) The answer shall meet separately each contention of the petitioner by a concise statement by the opposing party in support of his contention.

(d) Brief may be filed by either party with its petition or answer, but not thereafter unless permitted by the commission. Oral argument shall not be permitted except upon request of the commission. Transcript of testimony shall not be furnished except upon order of the commission.

(e) Time for answering may be extended upon order of the commission.

Ind 80.20 License to appear. (1) The following rules shall govern the issuance, suspension, or revocation of licenses to appear before the industrial commission in compensation matters under the provisions of section 102.17 (1) (am), Wis. Stats.

(a) Permission to appear at a single hearing may be issued by the industrial commission through any examiner or individual commissioner upon application evidencing qualifications provided by statute and the commission's rules. Such permission may be given to appear in 3 cases before the issuing of license. When appearance has been made in 3 cases, license shall be required, which shall be issued only upon execution and filing with the commission of application upon form prescribed by the commission.

(b) Before license shall be issued applicant shall have appeared in representation of a party before the commission on at least 3 formal hearings.

(c) The following conditions shall operate as grounds for refusal, suspension, or revocation of license.

1. Charging of excessive or unconscionable fees, misrepresentation of clients, dishonesty, fraud, sharp practice, neglect of duty, or other

improper conduct in the representation of a party before the industrial commission, unless satisfactorily explained or excused by the commission on the grounds of subsequent good conduct.

2. Disbarment from the practice of law, or resignation by request of properly constituted authorities, unless there has been subsequent reinstatement and continuance in good standing.

3. Contumacious conduct in hearing, gross discourtesy toward commission representatives, or failure to conform to rulings or instructions of the commission or its representatives.

4. Intentional or repeated failure to observe provisions of the compensation act or rules of procedure adopted by the industrial commission.

5. Any other gross evidence of lack of good moral character, fitness or act of fraud, or serious misconduct.

Ind 80.21 Physicians' reports. Upon the request of the industrial commission, any party in interest to a claim under the workmen's compensation act shall furnish the industrial commission with copies of all physicians' reports in their possession or procurable by them. When deemed advisable by the industrial commission, copies of such reports may be furnished to the other parties in interest.

Ind 80.22 Use of physicians' reports as evidence. See subsection 102.17 (1) (as), Wis. Stats.

(1) Matters stated in such report which would not be competent or material evidence if given as oral testimony shall not be competent or material as prima facie evidence if objection is made, except as corroborated by competent and material oral testimony.

(2) Use of reports shall be permitted in any case in which claim for compensation is made, provided the reporting doctor is available for cross examination.

(3) An applicant shall be informed of the provisions of section 102.17 (1) (as), Wis. Stats., and the commission's rules and also that form for reporting will be supplied to him upon request.

(4) Report shall be submitted to the commission upon a form prescribed by the commission and shall be verified or certified. The commission may require additional or supplementary reports. Upon failure of the applicant to submit such reports within the time specified prior to hearing, all reports previously filed may, in the discretion of the commission, be excluded as evidence.

(5) Reports shall be filed with the application for adjustment of claim, or as soon thereafter as possible. Reports not filed with the commission 15 days prior to the date of hearing shall not be acceptable as evidence except upon good cause for failure so to file, established to the satisfaction of the commission.

(6) Upon receipt of report the commission shall promptly serve copy upon the employer or carrier.

(7) The filing of reports under this provision shall be permissible whether or not injury occurred on or before June 10, 1943.

Ind 80.23 Common insurance of employer and third party. In all cases where compensation becomes payable and the insurance carrier of an employer and of a third party shall be the same, or if there is

common control of the insurer of each, the insurance carrier of the employer shall promptly notify the parties in interest and the industrial commission of that fact.

Ind 80.24 Statement of employe. When an employe gives a statement signed by him, which in any way concerns his claim, a copy of such statement must be given to the employe. When such statement is taken by a recording device and is not immediately reduced to writing, a copy of the entire statement must be given the employe or to his attorney within a reasonable time after application for hearing is filed, and the actual recording must be available as an exhibit if formal hearing is held. Failure on the part of the employer or insurance carrier to comply with the above will preclude the use of such statement in any manner in connection with that claim.

Ind 80.25 Loss of hearing; determination. The commission as a matter of policy adopts the report of the medical subcommittee of the advisory committee on workmen's compensation legislation of the industrial commission, dated April 5, 1954, for determination of loss of hearing in workmen's compensation cases, with amendments adopted upon the recommendations of the subcommittee on noise of the committee on conservation of hearing of the American Academy of Ophthalmology and Otolaryngology.

Such report as amended is as follows:

I. Under what circumstances does noise constitute a hazard to hearing?

a. *Question:* What frequency and intensity?
Answer: The committee members stressed the importance of both intensity and frequencies in evaluating the noise problem. It was pointed out and pretty well agreed that no definite level could be set for hazardous noise intensity at this time. Furthermore, it was noted that most answers to this question in the literature were in the form of qualified statements. In addition to the pressure levels, the type (frequency) and the length of exposure as well as individual susceptibility must be considered. In general it was agreed that sound below an intensity of 90 decibels as measured on the C scale of an approved sound level meter, would not be harmful to workers' hearing regardless of the length of exposure. It is the energy per octave band that determines the hazardous noise level.

b. *Question:* How can noise best be measured?
Answer: The measurement of noise is primarily the function of acoustical engineers and properly trained personnel. Noise should be scientifically measured by properly trained individuals using approved calibrated instruments, which at the present time include sound level meters, octave band analyzers (see I. a.) and oscilloscopes, the latter particularly for impact type noises.

II. How can hearing loss be measured?

a. *Question:* What type of test is best?
Answer: Discussion followed as to what was meant by "hearing loss." It was pointed out that losses of hearing ability for high frequency tones (4000 and above) could be observed in many audiograms. However, it was unanimously agreed by the members of the committee that such high frequency losses do not constitute any disability for hearing ordinary conversational voice, and it was felt that hearing loss as used in this discussion should be confined to losses occurring in the frequencies ordinarily used for speech conversation. It was recognized by members of the committee that testing the individual by means of speech audiometry (for consonants and vowels) would most directly reveal the hearing ability of the individual for ordinary speech. At the present time, however, numerous problems present themselves in the routine performance of these tests. For example: speech audiometers, while available, as yet are neither standardized nor routinely found in otologists' offices. Language problems make these tests difficult in many instances. National authoritative bodies such as the Council on Physical Medicine of the American Medical Association and the American Academy of Ophthalmology and Otolaryngology have not as yet published a list of approved speech audiometers or accepted methods for their use in

determining hearing disability. Until such time as their recommendations are officially published, it is agreed that pure-tone air conduction audiometric tests be used for evaluating hearing acuity. It was recommended that the readings of the three frequencies of 500, 1,000 and 2,000 cycles per second be used in computing loss of hearing, but that in the performance of the pure-tone air conduction audiogram, all frequencies between 250 and 8,000 cycles per second on the audiometer be used for diagnostic purposes.

b. *Question:* What formula is most suitable?

Answer: It was pointed out that the findings of pure-tone air conduction audiometry are used for computing percentage loss of hearing by the American Medical Association Method of 1947, (Reference: Journal of the American Medical Association, February 9, 1947), the 0.8 Method of Fletcher or its modification or the Fowler Method. All of these methods have met with objections. The committee agreed that no consideration should be given for losses in frequencies below 500 cycles per second or above 2,000 cycles per second. Furthermore, it was felt that losses averaging 15 decibels or less in the frequencies between 500 and 2,000 cycles per second do not constitute any practical hearing disability. A table for evaluating hearing disability based upon average readings of the frequencies 500, 1,000, 2,000 of pure-tone air conduction tests has been formulated and is hereby attached.

III. How long must one be removed from a noisy environment before a final estimate of hearing loss can be made?

What is the greatest percentage of improvement which can be expected after removal?

Answer: It was agreed that there is a certain amount of recovery of hearing ability which may be expected after removing an individual from a prolonged exposure to a noisy environment. Just how much recovery will take place will depend on the number of years of exposure, the degree of hearing loss and individual susceptibility.

The members of the committee subscribe in principle to the statement of policy of the subcommittee of the Academy of Ophthalmology and Otolaryngology which is as follows:

> "Hearing loss produced by prolonged exposure to loud noise may be considered permanent if it still persists after the individual has been removed from the noise environment for a period of six months."

Therefore, those individuals who have removed themesives for six months or longer from their noisy working areas can have a final determination made of their hearing. When rule Ind 80.25 was adopted, it was intended that the examiners and commissioners have discretion in determining the extent of hearing impairment whenever audiometric readings* were taken by two or more persons. When several audiometric examinations are made under similar conditions, at closely spaced intervals by the same person, the best average reading obtained by that person at any one time shall be used. In other words, the best average decibel reading from any single audiometric examination shall be used as the reading of that operator. It is considered that the commission and its examiners should not be bound by either the lowest or the highest audiometric reading, but shall have discretion in evaluating the actual loss at or between the highest and the lowest readings by different persons. Independent medical examination is to be available where there is doubt in a loss of hearing claim. (For those claims filed under the statutory provisions in effect previous to the creation of section 102.555 which became effective July 1, 1955 and where the claimant continued to work in noisy environment, the audiometric and hearing evaluations should be made after a 48 hour removal from the noisy areas. In addition, five decibels should be deducted from the average decibel ratings of 500, 1,000 and 2,000 frequencies to allow for the recovery factor).

IV. What cases of occupational loss of hearing can be improved by hearing aids and to what extent?

Answer: The improvement resulting from the use of a hearing aid in these cases is too variable to warrant its consideration as a corrective factor. Many of these individuals cannot wear a hearing aid with any degree of satisfaction. Any benefit which might be obtained in any individual case from the use of a hearing aid should not be considered in arriving at a percentage of hearing loss or disability.

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* This is the reading of the so-called hearing loss or hearing level dial of an audiometer which is calibrated according to the American Standard Z-24, 5–1951 or an equivalent recognized and accepted standard. Readings from an audiometer calibrated to different standard shall be adjusted to the equivalent of the American Standard Z-24, 5–1951.

V. Which test is most suitable for pre-employment examinations? What formula is recommended (as to frequencies and intensities)?

Answer: The use of the pure-tone air conduction audiometer is recommended for recording the hearing acuity of workers in pre-employment examinations. The audiometer should be one accepted and approved by the Council on Physical Medicine of the American Medical Association. The audiometer should be routinely and periodically calibrated. The pre-employment record should include a satisfactory history and physical examination as it may pertain to the hearing status and must include the pure-tone air conduction audiometric record. Otological examinations and evaluations should be made where indicated. All frequencies between 250 and 8,000 cycles per second found on the audiometer should be recorded.

VI. Is treatment of any value in reduction of the hearing loss due to noise?

Answer: The hearing loss resulting from industrial noise exposure cannot be improved by any known medical or surgical treatment.

VII. In general, what examinations can and should be made to determine the nature of loss, i.e., whether due to noise or to other cause?

Answer: By history, physical examination, otological and audiometric examinations.

HEARING DISABILITY TABLE

Average Decibel Loss	Per Cent of Compensable Hearing Loss	Average Decibel Loss	Per Cent of Compensable Hearing Loss
16	1.5	50	52.5
17	3.	51	54.
18	4.5	52	55.5
19	6.	53	57.
20	7.5	54	58.5
21	9.	55	60.
22	10.5	56	61.5
23	12.	57	63.
24	13.5	58	64.5
25	15.	59	66.
26	16.5	60	67.5
27	18.	61	69.
28	19.5	62	70.5
29	21.	63	72.
30	22.5	64	73.5
31	24.	65	75.
32	25.5	66	76.5
33	27.	67	78.
34	28.5	68	79.5
35	30.	69	81.
36	31.5	70	82.5
37	33.	71	84.
38	34.5	72	85.5
39	36.	73	87.
40	37.5	74	88.5
41	39.	75	90.
42	40.5	76	91.5
43	42.	77	93.
44	43.5	78	94.5
45	45.	79	96.
46	46.5	80	97.5
47	48.	81	99.
48	49.5	82–100	100.
49	51.		

Members of the medical advisory committee wish to emphasize that the above recommendation and test procedures cannot be regarded as final. The present answers and conclusions are based upon the "best" scientific information available at this time. Revisions will be required from time to time as additional knowledge accumulates and better technical methods and instruments are developed.

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April 5, 1954

Ind 80.26 Loss of vision; determination. The following rules for determining loss of visual efficiency shall be applicable to all cases settled after December 1, 1941, irrespective of the date of injury, except that, in the examples for computations of compensation payable and of the percentage of permanent total disability, the computation of the percentage of visual impairment must be applied to the provisions of the workmen's compensation act as they existed at the date of the injury.

(1) MAXIMUM AND MINIMUM LIMITS OF THE PRIMARY COORDINATE FACTORS OF VISION. In order to determine the various degrees of visual efficiency, (a) normal or maximum, and (b) minimum, limits for each coordinate function must be established; i.e., the 100% point and the 0% point.

(a) Maximum limits. The maximum efficiency for each of these is established by existing and accepted standards.

1. Central Visual Acuity. The ability to recognize letters or characters which subtend an angle of 5 minutes, each unit part of which subtends a 1 minute angle at the distance viewed is accepted as standard. Therefore a 20/20 Snellen or A.M.A. and a 14/14 A.M.A. are employed as the maximum acuity of central vision, or 100% acuity for distance vision and near vision respectively.

2. Field Vision. A visual field having an area which extends from the point of fixation outward 65 degrees, down and out 65 degrees, down 55 degrees, down and in 45 degrees, inward 45 degrees, in and up 45 degrees, upward 45 degrees, and up and out 55 degrees is accepted as 100% industrial visual field efficiency.

3. Binocular Vision. Maximum binocular vision is present if there is absence of diplopia in all parts of the field of binocular fixation, and if the 2 eyes give useful binocular vision.

(b) Minimum limits. The minimum limit, or the 0% of the coordinate functions of vision, is established at that degree of deficiency which reduces vision to a state of industrial uselessness.

1. Central Visual Acuity. The minimum limit of this function is established as the loss of light perception, light perception being qualitative vision. The practical minimum limit of quantitative visual acuity is established as the ability to distinguish form. Experience, experiment and authoritative opinion show that for distance vision 20/200 Snellen or A.M.A. Chart is 80% loss of visual efficiency, 20/380 is 96% loss, and 20/800 is 99.9% loss, and that for near vision 14/141 A.M.A. Reading Card is 80% loss of visual efficiency, 14/266 is 96% loss, and 14/560 is 99.9% loss. Table 1 shows the percentage loss of visual efficiency corresponding to the Snellen and other notations for distant and for near vision, for the measurable range of quantitative visual acuity.

2. Field Vision. The minimum limit for this function is established as a concentric central contraction of the visual field to 5 degrees. This degree of contraction of the visual field of an eye reduces the visual efficiency to zero.

3. Binocular Vision. The minimum limit is established by the presence of diplopia in all parts of the motor field, or by lack of useful binocular vision. This condition constitutes 50% motor field efficiency.

TABLE 1

Percentage of Central Visual Efficiency Corresponding to Specified Readings for Distant and for Near Vision for Measurable Range of Quantitative Visual Acuity

A.M.A. Test Chart or Snellen Reading for Distance	A.M.A. Card Reading for Near	Percentage of Visual Efficiency	Percentage Loss of Vision	A.M.A. Test Chart or Snellen Reading for Distance	A.M.A. Card Reading for Near	Percentage of Visual Efficiency	Percentage Loss of Vision
20/20	14/14	100.0	0.0	20/122.5	--------	40.0	60.0
20/25	14/17.5	95.7	4.3	20/137.3	--------	35.0	65.0
20/25.7	--------	95.0	5.0	20/140	14/98	34.2	65.8
20/30	14/21	91.5	8.5	20/155	--------	30.0	70.0
20/32.1	--------	90.0	10.0	20/160	14/112	28.6	71.4
20/35	14/24.5	87.5	12.5	20/175	--------	25.0	75.0
20/38.4	--------	85.0	15.0	20/180	14/126	23.9	76.1
20/40	14/28	83.6	16.4	20/200	14/141	20.0	80.0
20/44.9	14/31.5	80.0	20.0	20/220	14/154	16.7	83.3
20/50	14/35	76.5	23.5	20/240	14/168	14.0	86.0
20/52.1	--------	75.0	25.0	---------	14/178	12.3	87.7
20/60	14/42	69.9	30.1	20/260	14/182	11.7	88.3
20/60.2	--------	70.0	30.0	20/280	14/196	9.7	90.3
20/68.2	--------	65.0	35.0	20/300	14/210	8.2	91.8
20/70	14/49	64.0	36.0	20/320	14/224	6.8	93.2
20/77.5	--------	60.0	40.0	20/340	14/238	5.7	94.3
20/80	14/56	58.5	41.5	20/360	14/252	4.8	95.2
20/86.8	--------	55.0	45.0	20/380	14/266	4.0	96.0
20/90	14/63	53.4	46.6	20/400	14/280	3.3	96.7
20/97.5	--------	50.0	50.0	20/450	14/315	2.1	97.9
20/100	14/70	48.9	51.1	20/500	14/350	1.4	98.6
20/109.4	--------	45.0	55.0	20/600	14/420	0.6	99.4
20/120	14/84	40.9	59.1	20/700	14/490	0.3	99.7
---------	14/89	38.4	61.6	20/800	14/560	0.1	99.9

(c) Where distance vision is less than 20/200 and the A.M.A. Chart is used, readings will be at 10 feet. The percentage of efficiency and loss may be obtained from this table by comparison with corresponding readings on the basis of 20 feet, interpolating between readings if necessary. In view of the lack of uniform standards among the various near vision charts, readings for near vision, within the range of vision covered thereby, are to be according to the American Medical Association Rating Reading Card of 1932.

(2) MEASUREMENT OF COORDINATE FACTORS OF VISION AND THE COMPUTATION OF THEIR PARTIAL LOSS.

(a) Central visual acuity. 1. Central visual acuity shall be measured both for distance and for near, each eye being measured separately, both with and without correction. Where the purpose of the

computation is to determine loss of vision resulting from injury, if correction is needed for a presbyopia due to age or for some other condition clearly not due to the injury (see section on miscellaneous regulations), the central visual acuity "without correction", as the term is used herein, shall be measured with a correction applied for such presbyopia or other preexisting condition but without correction for any condition which may have resulted from the injury. The central visual acuity "with correction" shall be measured with correction applied for all conditions present.

2. The percentage of central visual acuity efficiency of the eye for distance vision shall be based on the best percentage of central visual acuity efficiency obtainable with correction, less one half of the difference between the percentage of central visual acuity with and without correction. However, in no case shall such subtraction for glasses be taken at more than 25%, or less than 5%, of total central visual acuity efficiency. If a subtraction of 5%, however, reduces the percentage of central visual acuity efficiency below that obtainable without correction, the percentage obtainable without correction shall be adopted unless correction is nevertheless necessary to prevent eye strain or for other reasons.

3. The percentage of central visual acuity efficiency of the eye for near vision shall be based on a similar computation from the near vision readings, with and without correction.

4. The percentage of central visual acuity efficiency of the eye in question shall be the result of the weighted values assigned to these 2 percentages for distance and for near. A onefold value is assigned to distance vision and a twofold value to near vision. Thus, if the central visual efficiency for distance is 70% and that for near is 40%, the percentage of central visual efficiency for the eye in question would be:

Distance (taken once)	**70%**
Near (taken twice)	**40**
	40
	150 ÷ 3 = 50% central visual acuity efficiency

5. The Snellen test letters or characters as published by the Committee on Compensation for Eye Injuries of the American Medical Association and designated "Industrial Vision Test Charts" subtend a 5 minute angle, and their component parts a 1 minute angle. These test letters or the equivalent are to be used at an examining distance of 20 feet for distant vision (except as otherwise noted on the Chart where vision is very poor), and of 14 inches for near vision, from the patient. The illumination is to be not less than three foot candles, nor more than ten foot candles on the surface of the chart.

6. Table 1 shows the percentage of central visual acuity efficiency and the percentage loss of such efficiency, both for distance and for near, for partial loss between 100% and zero vision for either eye.

(b) Field vision. 1. The extent of the field of vision shall be determined by the use of the usual perimetric test methods, a white target being employed which subtends a 1 degree angle under illumi-

nation of not less than three foot candles, and the result plotted on the industrial visual field chart. The readings should be taken, if possible, without restriction to the field covered by the correction worn.

2. The amount of radial contraction in the 8 principal meridians shall be determined. The sum of the degrees of field vision remaining on these meridians, divided by 420 (the sum of the 8 principal radii of the industrial visual field) will give the visual field efficiency of one eye in per cent, subject to the proviso stated in the section on "Minimum Limits" that a concentric central contraction of the field to a diameter of 5 degrees reduces the visual efficiency to zero.

3. Where the impairment of field is irregular and not fairly disclosed by the 8 radii, the impaired area should be sketched upon the diagram on the report blank, and the computation be based on a greater number of radii, or otherwise, as may be necessary to a fair determination.

(c) Binocular vision. 1. Binocular vision shall be measured in all parts of the motor field, recognized methods being used for testing. It shall be measured with any useful correction applied.

2. Diplopia may involve the field of binocular fixation entirely or partially. When diplopia is present, this shall be plotted on the industrial motor field chart. This chart is divided into twenty rectangles, 4 by 5 degrees in size. The partial loss due to diplopia is that proportional area which shows diplopia as indicated on the plotted chart compared with the entire motor field area.

3. When diplopia involves the entire motor field, causing an irremediable diplopia, or when there is absence of useful binocular vision due to lack of accommodation or other reason, the loss of coordinate visual efficiency is equal to 50% loss of the vision existing in one eye (ordinarily the injured, or the more seriously injured, eye); and when the diplopia is partial, the loss in visual efficiency shall be proportional and based on the efficiency factor value of one eye as stated in table 2. When useful correction is applied to relieve diplopia, 5% of total motor field efficiency of one eye shall be deducted from the percent of such efficiency obtainable with the correction. A correction which does not improve motor field efficiency by at least 5% of total will not ordinarily be considered useful.

TABLE 2

Loss in Binocular Vision

No loss	equals	100.0%	Motor	Field	Efficiency
1/20	"	99.0	"	"	"
2/20	"	97.7	"	"	"
3/20	"	96.3	"	"	"
4/20	"	95.0	"	"	"
5/20	"	93.7	"	"	"
6/20	"	92.3	"	"	"
7/20	"	90.7	"	"	"
8/20	"	89.0	"	"	"
9/20	"	87.3	"	"	"
10/20	"	85.7	"	"	"
11/20	"	83.7	"	"	"
12/20	"	81.7	"	"	"

TABLE 2—continued

Loss in Binocular Vision

No loss	equals	100%	Motor	Field	Efficiency
13/20	"	79.7	"	"	"
14/20	"	77.3	"	"	"
15/20	"	75.0	"	"	"
16/20	"	72.7	"	"	"
17/20	"	69.7	"	"	"
18/20	"	66.0	"	"	"
19/20	"	61.0	"	"	"
20/20	"	50.0	"	"	"

(3) INDUSTRIAL VISUAL EFFICIENCY OF ONE EYE. The industrial visual efficiency of one eye is determined by obtaining the product of the computed coordinate efficiency values of central visual acuity, of field of vision, and of binocular vision. Thus, if central visual acuity efficiency is 50 per cent, visual field efficiency is 80 per cent, and the binocular vision efficiency is 100 per cent, the resultant visual efficiency of the eye will be 50 x 80 x 100 = 40 per cent. Should useful binocular vision be absent in all of the motor field so that binocular efficiency is reduced to 50 per cent, the visual efficiency would be 50 x 80 x 50 = 20%.

(4) COMPUTATION OF COMPENSATION FOR IMPAIRMENT OF VISION. When the percentage of industrial visual efficiency of each eye has been thus determined, it is subtracted from 100%. The difference represents the percentage impairment of each eye for industrial use. These percentages are applied directly to the specific schedules of the Workmen's Compensation Act.

(5) TYPES OF OCULAR INJURY NOT INCLUDED IN THE DISTURBANCE OF COORDINATE FACTORS. Certain types of ocular disturbance are not included in the foregoing computations and these may result in disabilities, the value of which cannot be computed by any scale as yet scientifically possible of deduction. Such are disturbances of accommodation not previously provided for in these rules, of color vision, of adaptation to light and dark, metamorphopsia, entropion, ectropion, lagophthalmos, epiphora, and muscle disturbances not included under diplopia. For such disabilities additional compensation shall be awarded, but in no case shall such additional award make the total compensation for loss in industrial visual efficiency greater than that provided by law for total permanent disability.

(6) MISCELLANEOUS REGULATIONS. (a) Compensation shall not be computed until all adequate and reasonable operations and treatment known to medical science have been attempted to correct the defect. Further, before there shall be made the final examination on which compensation is to be computed, at least three months shall have elapsed after the last trace of visible inflammation has disappeared, except in cases of disturbance of extrinsic ocular muscles, optic nerve atrophy, injury of the retina, sympathetic ophthalmia, and traumatic cataract; in such cases, at least twelve months and preferably not more than sixteen months shall intervene before the examination shall be made on which final compensation is to be computed. In case the injury is one which may cause cataract, optic atrophy, disturbance of the retina, or other conditions, which may further impair vision after the time of the final examination, note thereof should be made by the examining physician on his report.

(b) In cases of additional loss in visual efficiency, when it is known that there was present a preexisting subnormal vision, compensation shall be based on the loss incurred as a result of eye injury or occupational condition specifically responsible for the additional loss. In case there exists no record or no adequate and positive evidence of preexisting subnormal vision, it shall be assumed that the visual efficiency prior to any injury was 100%. In order to effect the above purpose, the examining physician should carefully distinguish, in regard to each of the coordinate factors, between impairments resulting from the injury and impairments not so resulting as established by the type of proof here stated. Such other impairments should, however, be also reported, separately. Computation must occasionally also be made of impairment of vision not resulting from the injury, as, for instance, for the purpose of computing additional indemnity due under the provisions of the Workmen's Compensation Act on account of preexisting disability of one or both eyes.

Note I—Example of computation covering partial disability to a single eye

A. Central Visual Acuity:

Distance—Reading of 20/32.1 with glasses equals visual efficiency of	90.0%
Reading of 20/200 without glasses equals visual efficiency of	20.0%
Difference	**70.0%**

Rated efficiency is 90.0% minus 25% (because one-half of 70.0% exceeds 25) or 65.0%

Near—Reading of 14/21 with glasses equals visual efficiency of	91.5%
Reading of 14/35 without glasses (except that correction is applied for presbyopia due to age) equals visual efficiency of	76.5%
Difference	**15.0%**

Rated efficiency is 91.5% minus 7.5% (which is one-half of 15.0%) or 84.0%

Final Central Visual Acuity Efficiency is:

65.0 + 84.0 + 84.0 = 233.0 ÷ 3 = 77.7%

B. Field Vision:

Sum of eight principal meridians of the field remaining divided by 420 is:

40
50
50
50
40
40
40
40

420) 350 (83.3%)

C. Binocular Vision:

Diplopia in 3 rectangles (3/20) is 96.3% motor field efficiency.

D. Industrial Visual Efficiency of the one eye is:

77.7% x 83.3% x 96.3% or 62.3%

E. Impairment of the one eye for industrial use is:

100.0% — 62.3% = 37.7%

F. Compensation payable is (under major schedule since amendments of 1931):

Total impairment of one eye (age 50 or less) 250 weeks. 250 weeks x 37.7% = 94.25 weeks (Reduce the number of weeks by 2% for each year that the age at time of injury exceeds 50.)

Note II—Example of computation covering partial disability to both eyes

1. **Left Eye is 62.3% efficient, see Example I.**
2. **Right Eye:**

A. Central Visual Acuity:

Distance—Reading of 20/30 with correction equals visual efficiency of	91.5%
Reading of 20/35 without glasses equals visual efficiency of	87.5%
Difference	**4.0%**

Rated efficiency is the vision without correction (because correction gives improvement of less than the 5% minimum allowance for glasses, and is not necessary to prevent eye strain, etc.) 87.5%

Near—Reading of 14/14 with glasses equal visual efficiency of	100.0%
Reading of 14/21 without glasses equals visual efficiency of	91.5%
Difference	**8.5%**

Rated efficiency is 100.0% minus 5% (because 5% is the minimum allowance for glasses) or 95.0%

Final Central Visual Acuity Efficiency is:

87.5% + 95% + 95% = 277.5 ÷ 3 = 92.5%

B. Field vision is 100%

C. Binocular vision is 100%

D. Industrial visual efficiency of the right eye is:

92.5% x 100% x 100% or 92.5%

E. Impairment of right eye for industrial use is:

100.0% — 92.5% = 7.5%

3. **Compensation payable is** (under major schedule since amendments of 1931, and at age 50 or less):

Left eye (Example I):	94.25 weeks
Right eye: 250 weeks × 7.5% = 18.75 weeks × 3 (multiple injury clause) =	56.25 weeks
Total	150.5 weeks

(Reduce the number of weeks by 2½% for each year that the age at time of injury exceeded 50.)

Note III—Example of compensation covering enucleation of one eye and partial disability of the other eye

1. **Left eye** is 35.28% impaired (77.7% × 83.3% = 64.72%; 100%—64.72% = 35.28%, as allowance for binocular vision is inapplicable when the other eye is enucleated or blind), which results at age 50 or less, in indemnity payable for 88.2 weeks
2. **Right eye** is enucleated, which at said ages, results in indemnity payable for ----------275 weeks
3. **Total payable:** 88.2 weeks × 3 (multiple injury) = 264.6 + 275 = ----------539.6 weeks
(Subject to deduction of 2½% for each year over age of 50)
The number of weeks indemnity indicated as payable for impairment of vision or for enucleation is in addition to indemnity for temporary disability. All results are subject to the limitation that the total amount of indemnity payable, including that for temporary disability, shall not exceed the indemnity which would be payable for permanent total disability. The statutory and legal rules applicable to the determination of additional compensation payable out of the special state fund on account of preexisting disabilities are not here stated.

Ind 80.27 Forms. (1) The following are listed in accordance with **Sec. 227.013.** Each form is issued by the workmen's compensation

division and may be obtained from the Industrial Commission, Hill Farm State Office Building, Madison.

(a) WC–7 Application for Adjustment of Claim.

(b) WC–7a Application for Adjustment of Claim (Occupational Disease).

(c) WC–7b Application for Review of Compromise.

(d) WC–7c State Employe's Application for Adjustment of Claim.

(e) WC–12 Employer's First Report of Injury or Disease.

(f) WC–13 Supplementary Report on Accident and Industrial Disease.

(g) WC–16 Physician's Report on Accident or Industrial Disease.

(h) WC–16a Physician's Report on Eye Injuries.

(i) WC–16b Physician's Report on Accidental or Industrial Disease (pursuant to 102.17 (1) (as).

(j) WC–28 Petition for Review of Findings and Order of Commissioner or Examiner.

Ind 80.28 Diagnosis for Brucellosis. When any employe is ill with fever and other signs and symptoms suggestive of brucellosis, it should be considered that the employe has the disease when the clinical impression is confirmed by one (1) or more of the following diagnostic tests:

Diagnosis

I. Positive blood or tissue cultures for any of this group of organisms, Br. Abortus, Br. Suis, Br. Militensis

II. Serologic tests.

A. Positive agglutination tests in titre of 1 to 160 or above some time during the course of the disease

B. The tests should be repeated with a separate blood specimen for confirmation of the final titre

III. The specimens for the tests required herein must be taken by a licensed practicing physician, and immediately delivered to the State Hygienic Laboratory, Attention Dr. A. S. Evans, 437 Henry Mall, Madison, Wisconsin. Such specimens shall be in a container upon which is plainly printed the name and address of the patient, employer, and a certificate by the attending physician that he took the specimen from the named patient on the date stated over his signature and address. The State Hygienic Laboratory shall make necessary tests as soon as possible and upon completion thereof it shall send a report of the results of said tests to the physician in attendance on the case, and a copy of said report to the Industrial Commission, Hill Farm State Office Building, Madison.

Ind 80.29 Value of room or meals. In determining an employe's wages from any employer under chapter 102, Wis. Stats., any lodging or meals furnished as part of the employ's pay shall, unless a different specific showing is made, depend on his workplace and be valued as follows:

(a) As to any city or village with a population of 1,000 or more:

1. The value of a room shall be $7.00 per week or $1.00 per day; and the value of meals shall be $14.50 per week or 70 cents per meal.

2. Effective September 1, 1964, the value of a room shall be $8.75 per week or $1.25 per day; and the value of meals shall be $16.75 per week or 80 cents per meal.

(b) Elsewhere:

1. The value of a room shall be $6.25 per week or 90 cents per day; and the value of meals shall be $13.50 per week or 65 cents per meal.

2. Effective September 1, 1964, the value of a room shall be $8.00 per week or $1.25 per day; and the value of meals shall be $15.75 per week or 75 cents per meal.

(c) To value room and meals hereunder, there shall be included within a city or village any community or isolated establishment which is outside the territorial limits but within the industrial or commercial area of the city or village, and its population shall be determined from the latest available federal census figures.

Ind 80.30 Average weekly earnings for members of volunteer fire companies or fire departments. The maximum average weekly earnings under the provisions of section 102.11, Wis. Stats., which are in effect on the date of injury shall be used in computing the amount of compensation payable to an employee as defined by subsection 102.07 (7), except as specific showing may be made in an individual case that such wage is not proper.

Ind 80.31 The commission shall observe the same rules and procedures and may use the same forms in processing and determining claims made under Chapter 66 as are used under Chapter 102.

Ind 80.32

TABLE 5—PERMANENT DISABILITIES: PERCENTAGES OF LOSS OF USE FOR LOSSES OF MOTION AS COMPARED WITH AMPUTATIONS AT THE INVOLVED JOINTS

SHOULDER	
Total ankylosis at the shoulder with arm at side, scapula fixed	75%
Total ankylosis at the shoulder with arm at side, scapula free	55%
Limitation of active elevation to 45° but otherwise normal	35%
Limitation of active elevation in all directions to 90°, but otherwise normal	20%
Limitation of active elevation to 135° but otherwise normal	5%
ELBOW	
Ankylosis of elbow joint at 45° less than full extension (radio-ulnar motion destroyed, hand 45° less than fully pronated)	60%
Total ankylosis of arm at elbow at right angles	
With radio-ulnar motion intact	50%
With radio-ulnar motion destroyed (hand 45° less than fully pronated)	70%
Ankylosis of arm at elbow at 45° less than full extension with radio-ulnar motion intact	45%
Limitation of motion of elbow joint (radio-ulnar motion unaffected)	
Remaining range, 90°–135°	20%
Remaining range, 135°–180°	35%
Ankylosis of radius and ulna, estimated at elbow joint (hand 45° less than fully pronated)	20%

WRIST

Ankylosis, straight position	25%

FINGERS

Complete ankylosis

Thumb	Mid-position	Complete Extension
Distal joint only	25%	35%
Proximal joint only	15%	20%
Distal and proximal joints	35%	65%
Distal, proximal and carpometacarpal joints	85%	100%
Fingers		
Distal joint only	25%	35%
Middle joint only	75%	85%
Proximal joint only	40%	50%
Distal and middle joints	85%	100%
Distal, middle and proximal joints	100%	100%

Loss of Motion

Fingers	Loss of flexion	Loss of use	Loss of Extension	Loss of use
Distal joint only	10% =	1%	10% =	2%
	20% =	2%	20% =	4%
	30% =	3%	30% =	6%
	40% =	5%	40% =	8%
	50% =	10%	50% =	15%
	60% =	15%	60% =	20%
	70% =	20%	70% =	30%
	80% =	25%	80% =	40%
			100% =	60%

Ind 80.33 Permanent disabilities: Fingertip Amputations. Unless otherwise affirmatively established, in estimating permanent disability as a result of fingertip amputations, amputation of the distal one-third or less shall be considered the equivalent of 45 per cent loss of use of the distal phalanx, amputation of not more than the distal two-thirds but more than the distal one-third shall be considered the equivalent of 80 per cent loss of use of the distal phalanx, and amputation of more than the distal two-thirds shall be considered as 100 per cent loss of the distal phalanx, provided there is no added disability as a result of malformed nail or tissue. In no case shall the allowance be greater than it would have been for amputation of the entire distal phalanx.

WC-70

FORMS

EMPLOYER'S NON-ELECTION OR WITHDRAWAL FROM THE WORKMEN'S COMPENSATION ACT

Industrial Commission,
Madison, Wisconsin.

Take notice that the undersigned employer of labor in Wisconsin hereby files notice of non-election or withdrawal from operation under provisions of the workmen's compensation act. The following questions and answers are made a part of this notice:

1. State whether corporation / partnership / individual ----------
2. Kind of business ----------
3. Largest number of persons ever employed at any one time ----------
4. Number of persons now employed ----------
5. State number of employes you expect *usually* to employ ----------
   (Include corporate officers who work as employes)
6. Has compensation insurance ever been carried? ----------
7. State when withdrawal desired (if later than thirty days following filing of notice) ----------

Dated at ---------- (Place) this ---------- day of ---------- 19----

Signed ----------

Employer's Name as Shown by Compensation Policy

(Official Position)

(Address)

Please Read Carefully:

1. Non-election may be effected immediately provided the employer has never employed three persons or carried compensation insurance. Withdrawal (by an employer who has been subject to the act) cannot become effective until thirty days after the date of filing notice.

2. Employers filing notice of withdrawal and thereafter employing one or more persons, even part time, must keep compensation insurance in force without lapse for at least thirty days following the date notice reaches the office of the Industrial Commission or until the later date specified as the date of withdrawal.

3. Employers who have withdrawn from the workmen's compensation act have liability at common law, with common law defenses abrogated. Farmers who have withdrawn have liability at common law but retain their common law defenses. (Sec. 331.37 Wis. Stats.)

4. Employers (except farmers) who *usually* have three or more employes in a business, trade or profession are not permitted to withdraw from the act. (Sec. 102.04(2)).

WC-61

SUGGESTED FORM OF EMPLOYE'S PARTIAL NON-ELECTION OF WORKMEN'S COMPENSATION ACT

(Epilepsy or Total Blindness)

To----------

(Exact Name of Employer)

(Address of Employer)

You will take notice that I, one of your employes, am (1) totally blind, or (2) afflicted with epilepsy, and pursuant to Section 102.08 of the Workmen's Compensation Act, elect not to be subject to such Act for injuries resulting because of total blindness or epilepsy, and still remain subject to the provisions of the Workmen's Compensation Act for all other injuries.

Dated at _____ this _____ day of _____ 19____

_____
Signature of Employe

_____
Address

WC-63

NOTICE OF NON-ELECTION OF OFFICIAL OF CORPORATION

_____
Exact Name of Corporation

_____
Address of Corporation

You will take notice that I, one of your employes, elect not to be subject to the provisions of the Workmen's Compensation Act of Wisconsin while in your employ until further written notice, pursuant to S. Section 102.08.

Dated at _____ this _____ day of _____ 19____

_____
Signature of Employe

_____
Official Title

A signed copy of this notice must be filed with the Industrial Commission, Madison, Wisconsin.

Form WC-7
(Formerly A-7) 10-1-63
Workmen's Compensation Act
Send Original and two copies to ——→

CLAIM ADJUSTMENT APPLICATION

STATE OF WISCONSIN
INDUSTRIAL COMMISSION

WORKMEN'S COMPENSATION DIVISION

Madison, Wisconsin

Be sure to notify the Commission of any change in address. Notify the Commission at once if not fully prepared for hearing.

Applicant's name and address	Applicant's attorney (if any) name and address
Employer's and name address	Insurance carrier
Employer's name and address (if more than one)	Insurance carrier

Employe's Birthdate	Age when injured	Marital status ☐ Married ☐ Single	Number of children	Social Security No.

Time of injury	Date of injury	Employe was earning when injured ____per day ____per week ____per month

Describe how injury occurred (what happened)

Nature of disability (describe part of body injured and kind of disability, as strain, fracture, back, head, body, arm, leg.

Disability for which compensation is claimed—State how long disabled (give dates). State what permanent disability exists. If injury resulted in death, give date.

Date on which notice of injury was given to employer	Manner in which notice to employer given

Doctors who treated injured (Name and address)

Was medical treatment supplied by employer
☐ Yes ☐ No ☐ Partially
If no, what expense was incurred for doctor $_____ For hospital and medicine $_____

Have you paid such expense ☐ Yes ☐ No ☐ Partially	Amount of compensation paid	Compensation paid to what date

What question has arisen as to liability

Where should hearing be scheduled

I will be ready for full hearing at any time after: (give date) If not fully prepared for hearing, please so state

Date Signature of applicant

Answer This Set of Questions if Claim is Made for Death Benefit

Name of deceased	Relation of deceased to applicant
Was applicant dependent on deceased ☐ Yes ☐ No	Applicant lived with deceased at time of accident ☐ Yes ☐ No

WC–7b

STATE OF WISCONSIN

INDUSTRIAL COMMISSION OF WISCONSIN

APPLICATION FOR REVIEW OF COMPROMISE
WORKMEN'S COMPENSATION ACT

_____Employe

vs.

_____Employer

_____Insurance Carrier

The applicant respectfully shows:

1. Address of Employe _____

2. Address of Employer _____

3. Accident occurred at_____on the____day of_____
(City or Town)
19____, and was caused as follows: _____
_____
_____
_____

4. That on the_____ day of_____applicant entered into a compromise agreement for settlement of his claim; that he now contends that the settlement made was unjust to him for the following reasons:
_____
_____
_____
_____
_____
_____
_____
_____

5. Hearing should be scheduled at: _____

6. I will be ready for full hearing at any time after: _____
(If not fully prepared for hearing, please so state)
_____
_____

Wherefore the applicant prays for review of the compromise agreement made and that the respondent be required to answer the charges herein, and that an order or award be made by the Industrial Commission granting such relief as the applicant may be entitled to in the premises.

Dated at_____ this_____day of_____ 19____

Signed_____
(Applicant must sign here)

Note: The original application and two copies for the respondent must be mailed to the Industrial Commission, Madison, Wisconsin.

If it is alleged that greater disability has resulted than was anticipated at the time of settlement, application should be accompanied by physician's report, stating the extent of disability claimed.

WC-7a

STATE OF WISCONSIN

INDUSTRIAL COMMISSION OF WISCONSIN

APPLICATION FOR ADJUSTMENT OF CLAIM
(Occupational Disease)

WORKMEN'S COMPENSATON ACT

_____Employe

vs.

(1) _____Employer
_____Insurance Carrier
(2) _____Employer
_____Insurance Carrier
(3) _____Employer
_____Insurance Carrier

(Names of insurance carriers will be furnished by the Industrial Commission on request)

The petition of the applicant respectfully shows:

1. Address of Employe _____

2. Addresses of Employers (1) _____
(Refer to number of employer as above given)
(2) _____
(3) _____

3. Injured became disabled on the _____ of_____, 19____ because of occupational disease in the nature of _____
(Specify disease)
caused as follows: _____
_____
_____
_____

4. Injured worked during the last six years for the following employers; during periods stated and performing the kind of work noted:

(Employer)	(Date)	(Date)	(Nature of work)
_____	From_____	To_____	_____
_____	From_____	To_____	_____
_____	From_____	To_____	_____
_____	From_____	To_____	_____
_____	From_____	To_____	_____
_____	From_____	To_____	_____
_____	From_____	To_____	_____
_____	From_____	To_____	_____
_____	From_____	To_____	_____

5. First wage loss or time loss suffered by applicant because of his disease was on_____, 19____ while employed by_____
(Name of employer)

6. Last wage loss or time loss suffered was on_____19____ while employed by _____

7. Other dates between which wage loss or time loss occurred were as follows:
From_____ To_____ while employed by_____
From_____ To_____ while employed by_____
From_____ To_____ while employed by_____
From_____ To_____ while employed by_____

8. **Last** date worked for **last** responsible employer was_____ 19____ and nature of work was_____

9. Injured was earning, on last day of work $_____ per day; $_____ per week; $_____ per annum.

10. Has applicant had physical examination at employer's request?_____
    a. If so, what employer requested?_____
    b. What date was such examination made?_____
    c. Has applicant been refused work following examination?_____
    d. If so, by what employer and what date?_____
    _____
    (Employer and date)

11. The injured was born on_____
    (Give year, month and day)
    Married or single_____Number of children_____

12. Disability for which compensation is claimed:
    _____
    _____
    _____
    _____
    (State how long disabled and whether there is any permanent disabiltiy. If the injury resulted in death give the date of death)

13. If not disabled is it inadvisable because of silicosis to continue in the employment?_____

14. When did applicant first learn that he suffered from occupational disease caused by his employment?_____

15. Notice of injury was given to employer(s) as follows:

(Name of employer)	(Date notice given)

16. Names of doctors who treated injured for occupational disease and dates treated:

(Name)	(Address)	(Date)

17. Expense incurred for doctor: $_____
    For hospital and medicines: $_____

18. If injured has been confined in a hospital or sanatorium at any time, give name and period:
    _____
    (Name of sanatorium) (Period)
    _____

19. Compensation paid injured $_____

20. If application is for death benefit what relation was deceased to applicant? _____

21. Was applicant dependent upon deceased at time of injury?_____

22. Did applicant live with deceased at time of injury and death?_____
    (Yes or no)

23. Have you ever made claim on account of occupational disease?_____
    (Yes or no)

24. If so, when_____ *Against what employer*_____

25. Other material facts:

Wherefore the applicant prays that the respondents be required to answer the charges herein and that an order or award be made by the Industrial Commission granting such relief as the applicant may be entitled to in the premises.

Dated at_____this_____day of_____, 19____

Signed_____
(Applicant must sign here)

Note: Either party to the dispute may apply to the commission for an adjustment of any matter in dispute.

The original application and two copies for the respondent must be mailed to the Industrial Commission, Madison, Wisconsin.

ADMISSION TO SERVICE AND ANSWER TO APPLICATION

STATE OF WISCONSIN
INDUSTRIAL COMMISSION
WORKMEN'S COMPENSATION DIVISION
W. C. 19 Madison, Wisconsin

Claim Number

Applicant

Applicant's attorney

Versus

Insurance carrier

We are enclosing herein copy of an application for adjustment of claim which has been filed in this office. Under the rules of practice of the commission you will be given ten days within which to admit service and make your answer to the application. One copy should be mailed to us; one copy to the applicant or his attorney if he has one; and one should be retained for your record. Unless you deny liability you should proceed to pay compensation immediately, in accordance with the provisions of the law, and not require the applicant, as well as yourself, to incur the expense, incidental to a hearing before the commission. In the meantime all compensation which is concededly due and which has accrued should be paid and the commission notified. Payments clearly due should not be withheld because application has been filed.

The respondent above named, for answer to the application herein, respectfully states:

It is: (Check one)	
Admitted	Denied

1. That applicant sustained an injury on or about the date set forth in the application.
2. That the relationship of employer and employe existed at the time of the alleged injury.
3. That the parties were subject to the Workmen's Compensation Act at the time of the alleged injury.
4. That at the time of the alleged injury the employe was performing service growing out of and incidental to his employment.
5. That the accident or disease causing injury arose out of the alleged employment.
6. That notice of injury was given employer as specified in application.
7. That applicant was temporarily disabled for the period stated in application. If denied, state temporary disability admitted.
8. That applicant is permanently disabled to the extent stated in the application. If denied, state permanent disability admitted.
9. That the rate of wages as set forth in application is correct. If denied, state weekly wage admitted.
10. That the alleged employer was insured under the Workmen's Compensation Act at the time of alleged injury.
11. State exactly what matters are in dispute and your reason for denying liability. (Use other side if necessary.) (If any statements are found to be incorrect, you may file an amended answer.)

Amount of compensation paid to date	Dated	Signature of respondent

SUGGESTED FORM OF RECEIPT FOR COMPENSATION

Received from the _____ the sum of _____ Dollars ($_____) in payment of compensation on account of an injury received by me on _____ 19____ while employed by _____

Amount Previously Received $_____

Amount of this Payment $_____

Total $_____

Signed this _____ day of_____ 19____

Witness_____ _____

Signature of Employee

Note: Employer will set out method of arriving at basis of settlement, giving total period of disability. Read over carefully to employe and be sure that he understands nature of receipt. When the final payment of compensation is made a receipt should be taken in this form and filed by the employer with a supplementary report on form A-13.

Insurance companies and self-insured employers must print the final receipts they use, but these must conform substantially with this form.

SUGGESTED FORM OF COMPLAINT FOR A REVIEW OF AN ORDER OR AWARD OF THE INDUSTRIAL COMMISSION

STATE OF WISCONSIN : IN CIRCUIT COURT : FOR DANE COUNTY

A_____ B_____
Plaintiff,

vs.

C_____ Company,
A Wisconsin Corporation, D_____
Insurance Company, A Wisconsin
Corporation, and Industrial
Commission of Wisconsin,
Defendants.

COMPLAINT

The above named plainiff, by _____, his attorney for his cause of action against the above named defendants respectfully shows to the court that:

1. The plaintiff is a (state vocation) residing at _____ Street, in the City of _____, Wisconsin.

2. The C_____ Company is a corporation organized and existing under and by virtue of the laws of the state of Wisconsin with its principal office in the city of _____, Wisconsin.

3. The D_____ Insurance Company is a corporation organized and existing under and by virtue of the laws of the state of Wisconsin, with its principal office in the city of _____, Wisconsin.

4. On the _____ day of _____, 19____, in a proceeding under ch. 102, Stats., known as Wisconsin Compensation Act, the above named defendant, Industrial Commission of Wisconsin, made certain findings and based upon such findings made and entered its order or award dismissing the plaintiff's application for compensation (or, that the defendants, C_____ Company and D_____ Insurance Company, pay to the plaintiff certain sums as compensation).

5. This plaintiff is aggrieved by reason of said findings and order or award, and brings this action for a review of said findings, order or award upon the following grounds:

(a) That said defendant, Industrial Commission of Wisconsin, acted without or in excess of its powers in making the following findings (here quote those findings of which you desire to complain, and only those) in that such findings are not supported by the evidence.

(b) That the findings of fact by the commission do not support its order or award in that (state with particularity the respect or respects in which the findings are claimed to be deficient as a support for the order or award).

(c) That the order or award was procured by a fraud in that (here state the specific facts relied on as fraud, but bear in mind that the fraud alluded to in the statutes does not include false testimony).

Wherefore this plaintiff demands judgment that the findings and order or award complained of be set aside, and for such other or further judgment, order or relief as the circumstances may warrant.

E_____ F_____
Plaintiff's Attorney

Note: Insurance Company, if any, must be joined as a defendant when claim is against an insured employer. The Industrial Commission must always be named as a defendant. See Sec. 102.23 supra.

WC-28

STATE OF WISCONSIN

INDUSTRIAL COMMISSION OF WISCONSIN

PETITION FOR REVIEW OF FINDINGS AND ORDER OF COMMISSIONER OR EXAMINER

WORKMEN'S COMPENSATION ACT

In the Matter of

----------,
Applicant,

vs.

----------,

----------,
Respondent,

----------,
Insurance Carrier.

TO THE INDUSTRIAL COMMISSION OF WISCONSIN, MADISON, WISCONSIN.

The undersigned hereby makes application for a review of the findings of the examiner in the above case issued on the ---------- day of commissioner

---

The specific finding(s) appealed from, and which petitioner claims are unwarranted by the evidence are as follows:

(Petitioner)

Address----------

Dated ---------- 19------

NOTE CAREFULLY: Petition must be filed with the Industrial Commission at Madison, Wisconsin, within twenty days from the date that a copy of the findings or order of the commissioner or examiner was mailed to the last known address of the parties in interest. If not filed within twenty days, such findings or order shall be considered the findings or order of the Industrial Commission as a body. See Sec. 102.18 supra.

WC-28a

STATE OF WISCONSIN

INDUSTRIAL COMMISSION OF WISCONSIN

ANSWER TO PETITION FOR REVIEW OF FINDINGS AND ORDER OF COMMISSIONER OR EXAMINER

WORKMEN'S COMPENSATION ACT

In the Matter of

----------,
Applicant,

vs.

----------,

----------,
Respondent

TO THE INDUSTRIAL COMMISSION OF WISCONSIN, MADISON, WISCONSIN:

The answer of ---------- who is the ---------- in the above matter, contests the petition for review prayed for by the petition herein, upon the grounds that the findings and order made are proper and correct for the following reasons:

(Respondent)

Address----------

Dated ---------- 19------

NOTE: Separate answer should be made to each finding alleged by the petitioner to have been in error.

(Copy of this answer should be sent to opposing party or his counsel.)

TABLE I—PRESENT VALUE AT 3 PER CENT COMPOUNDED ANNUALLY OF $1.00 PER WEEK, PAYABLE AT THE END OF EACH WEEK FOR ANY TERM FROM ONE WEEK TO ONE THOUSAND WEEKS.

To find the present value of any sum payable weekly, multiply that sum by the present value of $1 payable for the number of weeks for which such sum is payable.

Example: To find the present value of $14.42 payable at the end of each week for 208 weeks, multiply $14.42 by the present value of $1 payable weekly for 208 weeks (shown in the table to be $196.1184). $14.42 x 196.1184 equals $2,828.02.

Term— Weeks	0 Years	1 Year and n Weeks	2 Years and n Weeks
1	0.9994	52.1947	101.8989
2	1.9983	53.1645	102.8405
3	2.9966	54.1337	103.7814
4	3.9943	55.1024	104.7219
5	4.9915	56.0705	105.6618
6	5.9881	57.0381	106.6012
7	6.9841	58.0051	107.5401
8	7.9796	58.9716	108.4784
9	8.9745	59.9375	109.4162
10	9.9688	60.9029	110.3534
11	10.9626	61.8677	111.2901
12	11.9558	62.8320	112.2263
13	12.9484	63.7957	113.1620
14	13.9405	64.7589	114.0971
15	14.9320	65.7215	115.0317
16	15.9229	66.6836	115.9658
17	16.9133	67.6451	116.8993
18	17.9031	68.6061	117.8323
19	18.8924	69.5666	118.7648
20	19.8811	70.5265	119.6967
21	20.8692	71.4858	120.6281
22	21.8568	72.4446	121.5590
23	22.8438	73.4029	122.4894
24	23.8303	74.3606	123.4192
25	24.8161	75.3178	124.3485
26	25.8015	76.2744	125.2772
27	26.7862	77.2305	126.2055
28	27.7705	78.1860	127.1332
29	28.7541	79.1410	128.0604
30	29.7372	80.0955	128.9870
31	30.7197	81.0494	129.9132
32	31.7017	82.0028	130.8388
33	32.6831	82.9556	131.7638
34	33.6640	83.9079	132.6884
35	34.6443	84.8596	133.6124
36	35.6240	85.8109	134.5359
37	36.6032	86.7615	135.4389
38	37.5818	87.7116	136.3814
39	38.5599	88.6612	137.3033
40	39.5374	89.6103	138.2247
41	40.5144	90.5588	139.1456
42	41.4908	91.5068	140.0659
43	42.4667	92.4542	140.9858
44	43.4420	93.4011	141.9051
45	44.4167	94.3474	142.8239
46	45.3909	95.2933	143.7421
47	46.3645	96.2385	144.6599
48	47.3376	97.1833	145.5771
49	48.3101	98.1275	146.4938
50	49.2821	99.0711	147.4100
51	50.2536	100.0143	148.3257
52	51.2244	100.9569	149.2408
	1 Year	2 Years	3 Years

TABLE I—Continued

Term— Weeks	3 Years and n Weeks	4 Years and n Weeks	5 Years and n Weeks
1	150.1554	197.0064	242.4928
2	151.0695	197.8939	243.3544
3	151.9831	198.7808	244.2155
4	152.8962	199.6673	245.0762
5	153.8087	200.5563	245.9364
6	154.7207	201.4387	246.7960
7	155.6323	202.3237	247.6552
8	156.5432	203.2082	248.5139
9	157.4537	204.0921	249.3721
10	158.3637	204.9756	250.2298
11	159.2731	205.8585	251.0871
12	160.1820	206.7410	251.9438
13	161.0904	207.6229	252.8001
14	161.9983	208.5043	253.6558
15	162.9057	209.3853	254.5111
16	163.8125	210.2657	255.3659
17	164.7189	211.1457	256.2202
18	165.6247	212.0251	257.0741
19	166.5300	212.9041	257.9274
20	167.4348	213.7825	258.7803
21	168.3391	214.6605	259.6326
22	169.2429	215.5379	260.4845
23	170.1461	216.4148	261.3359
24	171.0489	217.2913	262.1868
25	171.9511	218.1672	263.0373
26	172.8528	219.0427	263.8872
27	173.7540	219.9176	264.7367
28	174.6547	220.7921	265.5857
29	175.5549	221.6661	266.4342
30	176.4546	222.5395	267.2822
31	177.3537	223.4125	268.1298
32	178.2524	224.2850	268.9768
33	179.1505	225.1569	269.8234
34	180.0481	226.0284	270.6695
35	180.9452	226.8994	271.5151
36	181.8418	227.7699	272.3603
37	182.7379	228.6399	273.2049
38	183.6335	229.5094	274.0491
39	184.5286	230.3784	274.8928
40	185.4232	231.2469	275.7360
41	186.3172	232.1149	276.5787
42	187.2108	232.9825	277.4210
43	188.1038	233.8495	278.2628
44	188.9964	234.7160	279.1041
45	189.8884	235.5821	279.9449
46	190.7799	236.4476	280.7852
47	191.6709	237.3127	281.6251
48	192.5614	238.1773	282.4645
49	193.4514	239.0414	283.3034
50	194.3409	239.9049	284.1419
51	195.2299	240.7680	284.9798
52	196.1184	241.6307	285.8173
	4 Years	5 Years	6 Years

TABLE I—Continued

Term— Weeks	6 Years and n Weeks	7 Years and n Weeks	8 Years and n Weeks
1	286.6543	329.5296	371.1561
2	287.4908	330.3417	371.9446
3	288.3269	331.1534	372.7326
4	289.1625	331.9647	373.5202
5	289.9976	332.7755	374.3074
6	290.8322	333.5858	375.0941
7	291.6664	334.3957	375.8804
8	292.5001	335.2051	376.6662
9	293.3333	336.0140	377.4516
10	294.1660	336.8225	378.2366
11	294.9983	337.6305	379.0210
12	295.8301	338.4381	379.8051
13	296.6614	339.2452	380.5887
14	297.4922	340.0518	381.3718
15	298.3226	340.8580	382.1545
16	299.1525	341.6637	382.9368
17	299.9819	342.4690	383.7186
18	300.8109	343.2738	384.5000
19	301.6394	344.0782	385.2809
20	302.4674	344.8821	386.0614
21	303.2949	345.6855	386.8414
22	304.1220	346.4885	387.6210
23	304.9486	347.2911	388.4002
24	305.7748	348.0931	389.1789
25	306.6004	348.8947	389.9572
26	307.4256	349.6959	390.7350
27	308.2504	350.4966	391.5124
28	309.0746	351.2969	392.2893
29	309.8984	352.0967	393.0658
30	310.7217	352.8960	393.8419
31	311.5446	353.6949	394.6175
32	312.3670	354.4933	395.3927
33	313.1889	355.2913	396.1674
34	314.0103	356.0888	396.9417
35	314.8313	356.8859	397.7156
36	315.6519	357.6825	398.4890
37	316.4719	358.4787	399.2620
38	317.2915	359.2744	400.0345
39	318.1106	360.0697	400.8066
40	318.9293	360.8645	401.5783
41	319.7475	361.6589	402.3495
42	320.5652	362.4528	403.1203
43	321.3825	363.2462	403.8907
44	322.1993	364.0392	404.6606
45	323.0156	364.8318	405.4300
46	323.8315	365.6239	406.1991
47	324.6469	366.4156	406.9677
48	325.4618	367.2068	407.7358
49	326.2763	367.9975	408.5036
50	327.0903	368.7878	409.2709
51	327.9039	369.5777	410.0377
52	328.7169	370.3671	410.8041
	7 Years	8 Years	9 Years

TABLE I—Continued

Term— Weeks	9 Years and n Weeks	10 Years and n Weeks	11 Years and n Weeks
1	411.5701	450.8071	488.9012
2	412.3357	451.5503	489.6228
3	413.1008	452.2931	490.3440
4	413.8654	453.0355	491.0648
5	414.6297	453.7775	491.7851
6	415.3935	454.5191	492.5051
7	416.1569	455.2602	493.2246
8	416.9198	456.0009	493.9438
9	417.6823	456.7412	494.6625
10	418.4444	457.4811	495.3808
11	419.2060	458.2206	496.0988
12	419.9672	458.9596	496.8163
13	420.7280	459.6982	497.5334
14	421.4883	460.4364	498.2501
15	422.2483	461.1742	498.9664
16	423.0077	461.9115	499.6822
17	423.7668	462.6485	500.3977
18	424.5254	463.3850	501.1128
19	425.2836	464.1211	501.8274
20	426.0413	464.8568	502.5417
21	426.7986	465.5920	503.2555
22	427.5555	466.3269	503.9690
23	428.3120	467.0613	504.6820
24	429.0680	467.7953	505.3947
25	429.8236	468.5289	506.1069
26	430.5788	469.2621	506.8187
27	431.3336	469.9949	507.5301
28	432.0879	470.7272	508.2411
29	432.8418	471.4591	508.9517
30	433.5952	472.1907	509.6620
31	434.3482	472.9217	510.3718
32	435.1008	473.6524	511.0812
33	435.8530	474.3827	511.7902
34	436.6048	475.1125	512.4987
35	437.3561	475.8420	513.2069
36	438.1070	476.5710	513.9147
37	438.8574	477.2996	514.6221
38	439.6075	478.0278	515.3291
39	440.3571	478.7556	516.0357
40	441.1063	479.4830	516.7419
41	441.8550	480.2099	517.4476
42	442.6034	480.9364	518.1530
43	443.3513	481.6626	518.8580
44	444.0988	482.3883	519.5626
45	444.8458	483.1136	520.2667
46	445.5925	483.8385	520.9705
47	446.3387	484.5630	521.6739
48	447.0845	485.2870	522.3769
49	447.8298	486.0107	523.0794
50	448.5748	486.7339	523.7816
51	449.3193	487.4567	524.4834
52	450.0634	488.1792	525.1848
	10 Years	11 Years	12 Years

TABLE I—Continued

Term— Weeks	12 Years and n Weeks	13 Years and n Weeks	14 Years and n Weeks
1	525.8858	561.7931	596.6547
2	526.5863	562.4733	597.3150
3	527.2865	563.1531	597.9750
4	527.9863	563.8325	598.6346
5	528.6857	564.5115	599.2939
6	529.3847	565.1902	599.9527
7	530.0833	565.8684	600.6112
8	530.7815	566.5463	601.2693
9	531.4793	567.2237	601.9271
10	532.1767	567.9008	602.5845
11	532.8737	568.5775	603.2415
12	533.5703	569.2539	603.8981
13	534.2665	569.9298	604.5543
14	534.9624	570.6054	605.2102
15	535.6578	571.2805	605.8657
16	536.3528	571.9553	606.5208
17	537.0474	572.6297	607.1756
18	537.7417	573.3037	607.8300
19	538.4355	573.9774	608.4840
20	539.1290	574.6506	609.1377
21	539.8220	575.3235	609.7909
22	540.5147	575.9960	610.4438
23	541.2070	576.6681	611.0964
24	541.8988	577.3398	611.7485
25	542.5903	578.0112	612.4003
26	543.2814	578.6821	613.0517
27	543.9721	579.3527	613.7028
28	544.6624	580.0229	614.3535
29	545.3523	580.6927	615.0038
30	546.0419	581.3622	615.6537
31	546.7310	582.0312	616.3033
32	547.4197	582.6999	616.9525
33	548.1081	583.3682	617.6013
34	548.7960	584.0361	618.2498
35	549.4836	584.7036	618.8979
36	550.1708	585.3708	619.5456
37	550.8575	586.0376	620.1929
38	551.5439	586.7040	620.8399
39	552.2299	587.3700	621.4866
40	552.9155	588.0356	622.1328
41	553.6008	588.7009	622.7787
42	554.2856	589.3658	623.4242
43	554.9700	590.0303	624.0694
44	555.6541	590.6944	624.7142
45	556.3378	591.3582	625.3586
46	557.0210	592.0216	626.0026
47	557.7039	592.6846	626.6463
48	558.3864	593.3472	627.2897
49	559.0686	594.0094	627.9326
50	559.7503	594.6713	628.5752
51	560.4316	595.3328	629.2174
52	561.1126	595.9939	629.8593
	13 Years	14 Years	15 Years

TABLE I—Concluded

Term—Weeks	15 Years and n Weeks	16 Years and n Weeks	17 Years and n Weeks	18 Years and n Weeks	19 Years and n Weeks
1	630.5008	663.3610	695.2643	726.2383	756.3101
2	631.1419	663.9835	695.8686	726.8250	756.8798
3	631.7826	664.6056	696.4726	727.4114	757.4491
4	632.4231	665.2274	697.0762	727.9975	758.0181
5	633.0631	665.8488	697.6795	728.5832	758.5867
6	633.7027	666.4698	698.2825	729.1686	759.1551
7	634.3421	667.0905	698.8851	729.7536	759.7231
8	634.9810	667.7108	699.4874	730.3384	760.2908
9	635.6196	668.3308	700.0893	730.9228	760.8582
10	636.2579	668.9505	700.6909	731.5068	761.4252
11	636.8957	669.5698	701.2921	732.0906	761.9920
12	637.5332	670.1887	701.8930	732.6740	762.5584
13	638.1703	670.8073	702.4936	733.2570	--------
14	638.8071	671.4255	703.0938	733.8398	--------
15	639.4435	672.0434	703.6937	734.4222	--------
16	640.0796	672.6609	704.2932	735.0043	--------
17	640.7152	673.2781	704.8924	735.5860	--------
18	641.3506	673.8949	705.4913	736.1674	--------
19	641.9855	674.5113	706.0898	736.7485	--------
20	642.6201	675.1275	706.6880	737.3293	--------
21	643.2544	675.7432	707.2858	737.9097	--------
22	643.8883	676.3587	707.8833	738.4898	--------
23	644.5218	676.9737	708.4805	739.0695	--------
24	645.1550	677.5885	709.0773	739.6490	--------
25	645.7878	678.2028	709.6738	740.2281	--------
26	646.4202	678.8169	710.2699	740.8069	--------
27	647.0523	679.4306	710.8657	741.3853	--------
28	647.6840	680.0439	711.4612	741.9634	--------
29	648.3154	680.6568	712.0563	742.5412	--------
30	648.9464	681.2695	712.6511	743.1187	--------
31	649.5770	681.8818	713.2455	743.6958	--------
32	650.2074	682.4937	713.8396	744.2726	--------
33	650.8373	683.1053	714.4334	744.8491	--------
34	651.4669	683.7165	715.0269	745.4253	--------
35	652.0961	684.3274	715.6200	746.0011	--------
36	652.7249	684.9379	716.2127	746.5766	--------
37	653.3534	685.5481	716.8051	747.1517	--------
38	653.9816	686.1579	717.3972	747.7266	--------
39	654.6094	686.7675	717.9890	748.3011	--------
40	655.2368	687.3767	718.5804	748.8753	--------
41	655.8639	687.9855	719.1715	749.4492	--------
42	656.4906	688.5939	719.7622	750.0227	--------
43	657.1170	689.2021	720.3526	750.5959	--------
44	657.7430	689.8098	720.9427	751.1688	--------
45	658.3686	690.4173	721.5324	751.7413	--------
46	658.9939	691.0243	722.1218	752.3136	--------
47	659.6189	691.6311	722.7109	752.8855	--------
48	660.2434	692.2375	723.2996	753.4570	--------
49	660.8677	692.8435	723.8879	754.0283	--------
50	661.4915	693.4492	724.4760	754.5993	--------
51	662.1151	694.0546	725.0638	755.1699	--------
52	662.7382	694.6596	725.6512	755.7402	--------
	16 Years	17 Years	18 Years	19 Years	20 Years

TABLE 2—REDUCTION IN NUMBER OF WEEKS OF COMPENSATION PAYABLE FOR PERMANENT PARTIAL DISABILITY CASES, DUE TO AGE OF EMPLOYEE

(Section 102.44 (3) and 102.53 (2))

Starting at age 51, the number of weeks for which compensation is payable is reduced by 2½% per year (with no reduction in excess of 50 per cent).

Such reductions for age apply to both:

1. Scheduled Permanent Partial Disability Cases, listed in Section 102.52.
2. Relative Permanent Partial Disability Cases under Section 102.44 (3) (a) and (b).

Last Attained Age of Injured Employee, on Date of His Injury	1 Use for Scheduled P.P.D. Cases, as Required by Section 102.53 (2) Cumulative percentage reduction in the number of weeks of compensation payable	2 Use for Relative P.P.D. Cases, under Section 102.44 (3) (The aggregate number of weeks of indemnity payable shall bear such relation to the number of weeks shown in Column C below, as the nature of the injury bears to one causing "Permanent Total Disability" (1))	
		Number of weeks of indemnity allowed for the stated "Permanent Total Disability" (2)	Illustration: For an Injury which Resulted in a Disability Equivalent to 50% of the Stated Permanent Total Disability Number of weeks of indemnity payable (Take 50% of Col. C)
A	B	C	D
50 or under	0	1000	500
51	2.5%	975 wks.	487.5 wks.
52	5.0	950	475.0
53	7.5	925	462.5
54	10.0	900	450.0
55	12.5	875	437.5
56	15.0	850	425.0
57	17.5	825	412.5
58	20.0	800	400.0
59	22.5	775	387.5
60	25.0	750	375.0
61	27.5	725	362.5
62	30.0	700	350.0
63	32.5	675	337.5
64	35.0	650	325.0
65	37.5	625	312.5
66	40.0	600	300.0
67	42.5	575	287.5
68	45.0	550	275.0
69	47.5	525	262.5
70 or over	50.0	500	250.0

(1) This "Permanent Total Disability" (Section 102.44 (3)) is merely a legal standard for determining the number of weeks of compensation to be paid. Payment of compensation for a case of Permanent Total Disability is for life, instead of for a limited number of weeks. See Section 102.44 (2).

(2) Reduced for age, by 2½% per year. The average number of years in labor force remaining declines as one advances in age.

TABLE 3—CHILDREN'S ADDITIONAL DEATH BENEFITS

Percentage of the "Average Annual Earnings" of the Deceased Parent Payable to Children of Specified Ages, Under Section 102.49 (a)

Line No.	Age of Child on Date of Death of Parent	Percentage of one "Average Annual Earnings" Payable
1.	One year or under (or a posthumous child)	106.66667%
2.	Two years or under, but more than one year	100.00000
3.	Three years or under, but more than two years	93.33333
4.	Four years or under, but more than three years	86.66667
5.	Five years or under, but more than four years	80.00000
6.	Six years or under, but more than five years	73.33333
7.	Seven years or under, but more than six years	66.66667
8.	Eight years or under, but more than seven years	60.00000
9.	Nine years or under, but more than eight years	53.33333
10.	Ten years or under, but more than nine years	46.66667
11.	Eleven years or under, but more than ten years	40.00000
12.	Twelve years or under, but more than eleven years	33.33333
13.	Thirteen years or under, but more than twelve years	26.66667
14.	Fourteen years or under, but more than thirteen years	20.00000
15.	Fifteen years or under, but more than fourteen years	13.33333
16.	Sixteen years or under, but more than fifteen years	6.66667
17.	Older children who are physically or mentally incapacitated from earning	(b)

(a) Effective since July 1, 1953.
(b) To be determined by the Industrial Commission.

TABLE 4—ELIGIBILITY FOR BENEFITS FROM SECOND INJURY INDEMNITY FUND
Under Section 102.59

Attained Age of Employee, on Date of Injury	Disabilities shown must each be rated at least equal to one entitled to the minimum number of weeks of compensation listed below	
	For Pre-existing disability(1)	For the Second injury(1)
	(weeks)	(weeks)
Under 51	250.00	250.00
51	243.75	243.75
52	237.50	237.50
53	231.25	231.25
54	225.00	225.00
55	218.75	218.75
56	212.50	212.50
57	206.25	206.25
58	200.00	200.00
59	193.75	193.75
60	187.50	187.50
61	181.25	181.25
62	175.00	175.00
63	168.75	168.75
64	162.50	162.50
65	156.25	156.25
66	150.00	150.00
67	143.75	143.75
68	137.50	137.50
69	131.25	131.25
70	125.00	125.00
Over 70	125.00	125.00

TABLE 5—PERMANENT DISABILITIES: PERCENTAGE OF LOSS OF USE AS COMPARED WITH AMPUTATIONS AT INVOLVED JOINTS

SHOULDER

Total ankylosis at the shoulder with arm at side, scapula fixed	75%
Total ankylosis at the shoulder with arm at side, scapula free	55%
Limitation of active elevation to 45° but otherwise normal	35%
Limitation of active elevation in all directions to 90°, but otherwise normal	20%
Limitation of active elevation to 135% but otherwise normal	5%

ELBOW

Ankylosis of elbow joint at 45° less than full extension (radio-ulnar motion destroyed, hand 45° less than fully pronated)	60%
Total ankylosis of arm at elbow at right angles	
With radio-ulnar motion intact	50%
With radio-ulnar motion destroyed (hand 45° less than fully pronated)	70%
Ankylosis of arm at elbow at 45° less than full extension with radio-ulnar motion intact	45%
Limitation of motion of elbow joint (radio-ulnar motion unaffected)	
Remaining range, 90°–135°	20%
Remaining range, 135°–180°	35%
Ankylosis of radius and ulna, estimated at elbow joint (hand 45° less than fully pronated)	20%

WRIST

Ankylosis, straight position	25%

FINGERS

Complete ankylosis

Thumb	Mid-position	Complete Extension
Distal joint only	25%	35%
Proximal joint only	15%	20%
Distal and proximal joints	35%	65%
Distal, proximal and carpometacarpal joints	85%	100%

Fingers		
Distal joint only	25%	35%
Middle joint only	75%	85%
Proximal joint only	40%	50%
Distal and middle joints	85%	100%
Distal, middle and proximal joints	100%	100%

Loss of Motion

Fingers	Loss of flexion	Loss of use	Loss of Extension	Loss of use
Distal joint only	10% =	1%	10% =	2%
	20% =	2%	20% =	4%
	30% =	3%	30% =	6%
	40% =	5%	40% =	8%
	50% =	10%	50% =	15%
	60% =	15%	60% =	20%
	70% =	20%	70% =	30%
	80% =	25%	80% =	40%
			100% =	60%

FINGERS

	Loss of flexion	Loss of use	Loss of Extension	Loss of use
Middle joint only	10% =	5%	10% =	2½%
	20% =	10%	20% =	5%
	30% =	15%	30% =	10%
	40% =	25%	40% =	15%
	50% =	40%	50% =	30%
	60% =	50%	60% =	50%
	70% =	60%	70% =	70%
	80% =	70%	80% =	90%
			100% =	100%
Proximal joint only	10% =	5%	10% =	2½%
	20% =	10%	20% =	5%
	30% =	15%	30% =	15%
	40% =	20%	40% =	20%
	50% =	25%	50% =	25%
	60% =	30%	60% =	40%
	70% =	35%	70% =	75%
	80% =	40%	80% =	85%
			90% =	100%

HIP

Ankylosis in alignment for normal standing position ---------- 50%

Shortening of leg (no posterior or lateral angulation, age 50 or less)

1 inch ---------- 7%

1½ inches ---------- 14%

2 inches ---------- 22%

KNEE

Ankylosis at 170° ---------- 40%

Limitation of motion, remaining range 135°–180° ---------- 20%

ANKLE

Ankylosis—favorable position 10 to 15 degrees equinus without loss

Loss of inversion and eversion with full dorsi and plantar flexion

Ankylosis—favorable position with loss of inversion and eversion -- 40%

Loss of inversion and eversion with full dorsi and plantar flexion remaining ---------- 15%

ANKLE

Ankylosis—Favorable position 10 to 15 degrees equinus without loss of inversion and eversion ---------- 30%

Ankylosis—Favorable position with loss of inversion and eversion -- 40%

Loss of inversion and eversion with full dors; and plantar flexion remaining ---------- 15%

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INDUSTRIAL
COMMISSION
OF WISCONSIN

FACTS ABOUT The WISCONSIN WORKMEN'S COMPENSATION LAW

With Amendments
to August 1, 1965

70000—03; R70000—03

Industrial Commission of Wisconsin

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FACTS ABOUT THE WISCONSIN WORKMEN'S COMPENSATION LAW

1. Q: What does the Wisconsin Workmen's Compensation Act do?

   A: It provides for medical and money benefits to employes injured by reason of their work, and for death benefits to their dependents. It is administered by the Industrial Commission, Madison, Wisconsin.

INJURIES COVERED

2. Q: What injuries are covered?

   A: Mental and physical harm of all kinds, whether due to accident or disease, and also accidental damage to artificial members, dental appliances, and teeth, also eye glasses and hearing aids provided they are damaged in an accident which causes some personal injury, although slight.

3. Q: Are all occupational diseases covered?

   A: Yes, all diseases due to employment, such as silicosis, lead poison-

ing, hernia, dermatitis, and loss of hearing, caused by exposure over a period of time to conditions which result in injury.

CONDITIONS OF LIABILITY

4. Q: What must an employe show to collect benefits?

   A: That he and his employer were subject to the compensation act; that he was injured while performing service for his employer; that the injury was not intentionally self-inflicted; and that his injury was caused by his work.

5. Q: Is an employe who is injured while going to or from work entitled to benefits?

   A: Yes, but only if he is on the premises of his employer at the time, or on premises where his work is to be done. If he is actually doing work for his employer, or is being transported by the employer when injured, he will be entitled to benefits whether or not he is on the employer's premises when hurt. An employe whose job requires him to travel is performing service at all times while on a trip, except for purely personal acts. He is covered while traveling in trains, cabs, or while in eating places or hotels, provided he has not deviated for a private or personal purpose. Actions reasonably necessary for living, such as eating, bathing, etc., are not regarded as deviations.

6. Q: What employers are subject to the act?

   A: (1) All employers, except farmers, who have at any time, even momentarily, employed three or more

persons in their business and have not elected not to be subject to the act; (2) all employers, except farmers, who usually employ three or more persons in their business are compulsorily subject and may not withdraw; (3) the state, counties, cities, villages and school districts regardless of the number of employes. Employers of domestic servants and other persons not employed in the business of the employer are not subject but the employer may voluntarily become subject by taking a policy of workmen's compensation insurance. (4) A farmer who employs 6 or more employes on 20 or more days in a calendar year becomes subject to the act. Other farmers may voluntarily elect to come under the law by taking out workmen's compensation insurance. Certain specified close relatives are not counted as employes in determining whether the farmer is subject.

7. Q: Suppose the employer has two employes in one business and one in another, or two employes in one city and one in another?

A: The employer becomes subject to the act when he has three employes, whether in one or more businesses or locations.

8. Q: If an employer is subject to the act, may an employe sue in court for injury if he prefers?

A: No; it is the only remedy between them for personal injury arising out of employment.

9. Q: If an employe works for a contractor who is not subject to the act, or who has no insurance, may the employe hold liable the princi-

pal employer for whom the contractor performs service?

A: Yes, provided the principal employer is subject to the act. He could not, for example, hold a farmer as principal employer unless the farmer had become subject to the act, nor could he hold a principal employer who had never employed more than two persons and had not become subject to the act.

EMPLOYES COVERED

10. Q: May minors receive compensation?

A: Yes. Minors under the act are competent to contract and receive compensation benefits, as are adults.

11. Q: May employes agree that in case of injury no benefits will be claimed?

A. No, except epileptics and those totally blind, and those only if they have given notice to the commission and the employer in advance, and then only for such injuries as are caused by epilepsy or blindness. Any other agreement is illegal and absolutely void.

WAGE BASIS

12. Q: What is the basis for compensation?

A: Seventy per cent of the normal full time wage at the time of injury in the employment in which the employe works at that time. Overtime is counted only if he has worked six calendar weeks or more for the employer and then only if the average weekly wage earned is higher than the normal

full time wage. For example, if the normal full time weekly wage is $60, but over a six week period the employe has put in overtime and earned $450, his actual average weekly wage is $75, and compensation is based on such wage. If, however, during the six week period the employe has lost a good deal of time and has earned only $360 or less, his wage will be $60 per week, based on normal full time.

13. Q: How is the wage of a part time worker fixed?

A: On the wage of a normal full time worker. For example, if a part time worker works for one hour per day, and normal full time workers in the same job work eight hours a day, the part time worker's wage is taken on the basis of an eight hour day.

14. Q: What is the smallest weekly compensation?

A: Minimum weekly wage is $12.50 and minimum weekly compensation 70 per cent of that wage, or $8.75. This is due no matter how small a wage the employe earns. Minimum weekly wage is always at least 30 times the hourly rate if such wage amounts to more than $12.50 per week. Minimum weekly wage for permanent disability is $20, with weekly compensation 70 per cent of that wage, or $14.

15. Q: What is the maximum compensation?

A: Maximum compensation is $68 for temporary, permanent total, and death. For permanent partial disability, the maximum compensa-

tión is $46. No matter how high the wage, no employe can receive more than these amounts except for penalties because of violation of a safety order, or because of illegal hiring of a minor.

16. Q: Are tips counted in determining wage?

A: All things of value, as board and room, tips, bonuses, etc., are counted.

17. Q: Must notice of injury be given to the employer?

A: Notice must be given within 30 days from the date of injury, or the right to compensation may be barred. Injury should be reported immediately, or as soon as possible to the foreman or other designated person to avoid doubt about the claim, and also so that medical treatment may be promptly given.

18. Q: Suppose notice is not given within 30 days?

A: Claim may still be established, but if the employer can show he was misled, benefits will not be payable.

FILING OF CLAIMS

19. Q: How soon must claim be made where no compensation has been paid?

A: Application for adjustment of claim must be filed with the Industrial Commission within two years from the date of injury. The time for filing application may be extended to six years if it can be shown that the employer knew or ought to have known within the two year period that the employe had sustained the injury.

20. Q: Suppose the employe' does not learn within two years than an occupational disease was caused by his work?

A: The time is then extended for two years from the time he knew or should have known of the connection between his disease and his work, but is not extended beyond six years from the last day of work before his disability commences.

21. Q: When a claim is made, has the employer a right to have physical examination of an employe made by a doctor?

A: Yes, in order to learn about the employe's disability, so he may know whether to pay compensation. If the employe fails to report for reasonable examination as requested from time to time, his compensation may be stopped. The employe may have his doctor present at the time of examination if he wishes. If the examination is considered unreasonable, the matter may be submitted to the commission for decision. The employe is entitled to compensation for time lost and to his traveling expense, if any, in submitting to examination.

22. Q: Suppose a dispute arises and the parties wish to settle the claim?

A: They may do so, but always subject to the commission's approval. If the commission does not approve settlement, it has no effect, and further claim may be made. All compromise agreements are subject to review by the Industrial Commission within one year.

WHO BEARS COST?

23. Q: May an employer charge the employe for the cost of compensation insurance or benefits?

A: No; the law makes that illegal and provides penalties.

24. Q: Should an employe sign receipt for compensation?

A: Yes, but the signing of receipt does not prevent him from claiming and recovering additional compensation even though the receipt may state that the amount paid is in final settlement.

HEARING PROCEDURE

25. Q: In case of dispute, what may the employe do to obtain compensation?

A: He may file his application for adjustment of claim with the Industrial Commission, Madison, Wisconsin. Forms are supplied by the commission upon request. After application is filed, hearing is set as soon as possible at a selected center.

26. Q: Must the employe be represented at hearing by attorney?

A: No; he may appear in person, by agent or by attorney.

27. Q: If an employe is not represented by attorney, who assists him in bringing out the facts?

A: The commission's examiner who conducts the hearing will ask questions of all witnesses present at the hearing. (See 31. Q. and A.)

28. Q: Is there any limitation as to attorney's fee?

A: The law allows an attorney to charge up to 20 per cent of the amount recovered, unless there is no dispute and no need for hearing, when the fee charged cannot exceed ten per cent and not more than $100 in any case.

29. Q: Who must pay the attorney's fee?

A: The person making claim must pay the fee. It is well to have a clear understanding with the attorney on the fee.

30. Q: May a union representative represent an employe at hearing?

A: Yes; any person, upon proper showing, may obtain permission from the examiner to represent a claimant.

31. Q: Must the employe have witnesses at hearings?

A: Witnesses are not needed as to points not in dispute. As to points in dispute, appearance of witnesses should be arranged. Each party must pay the cost of his own witnesses. If there is question as to what witnesses are needed, and no lawyer is hired, the commission may be asked at the time of filing application, or as soon as possible before hearing.

32. Q: Are doctors' reports admissible as evidence for the employe?

A: Yes, of doctors licensed and practicing in Wisconsin and of doctors outside Wisconsin to whom the claimant has been sent for examination or treatment by the employer or insurance company. These must be notarized or certified, on forms provided by the commission, and filed with the

commission at least 15 days before the time of hearing. They should be presented at the time application is filed or as soon thereafter as possible. Forms are supplied by the commission on request.

33. Q: Who conducts hearings and decides cases?

A: Attorney examiners of the Industrial Commission.

APPEALS

34. Q: May there be appeal from the examiner's findings?

A: Yes, to the Industrial Commission as a body. This must be done within 20 days from the date of the order made by the examiner. If petition for review is not filed within 20 days from that date, the commission and the court lose jurisdiction.

35. Q: What further appeals are possible, after appeal to the commission?

A: One to the Circuit Court of Dane County within 30 days from the order of the commission as a body, and to the Supreme Court within 30 days from notice of entry of judgment of the Circuit Court.

EXEMPTION FROM DEBT

36. Q: May compensation be assigned?

A: No; neither can it be taken for debt, except for Federal Income Tax. It is not necessary to report compensation payments for income tax purposes, as income tax is not charged on workmen's compensation benefits.

LIABILITY FOR COMPENSATION

37. Q: Who pays compensation?

A: Most employers carry insurance so that the insurance company pays benefits. Some employers are "self-insurers" and pay compensation directly. In either case, the employer is primarily responsible for payment.

38. Q: Are employers required to insure their compensation liability?

A: All employers subject to the act are required to insure unless excused by the Industrial Commission on a showing of financial ability to pay claims. Only a small number of employers are "self-insurers." Failure of employers to insure unless excused calls for heavy penalties.

39. Q: If a person is hurt by negligence of a "third party" may he take compensation and also sue the third party?

A: Yes. He will then receive his full compensation benefits and also one-third of the net amount recovered from the third party. All costs of collection, including attorney's fees, are taken out before division of proceeds is made. The insurance company or employer is then repaid the amount paid or to be paid as compensation, and if any balance remains, that also is paid to the employe. Action against a third party is usually by joint action of the employer or his insurance carrier and the injured employe.

MEDICAL BENEFITS

40. Q: What are the benefits under the act?

A: (1) Medical treatment; (2) compensation for lost time, wage and disability; (3) death benefit; (4)

maintenance during rehabilitation training.

41. Q: What medical benefits are provided?

A: Every sort of medical or hospital treatment reasonably necessary. Treatment by a doctor of osteopathy or a chiropodist (foot doctor) is included. Treatment by a masseur or physical therapist is included when prescribed by a regularly qualified physician. Artificial limbs and appliances of all kinds when needed are also to be provided but are not required to be replaced. Employes are entitled to compensation for lost time and for necessary traveling expense when submitting to treatment.

42a. Q: Is treatment by a chiropractor provided?

A: There is no liability for chiropractic treatment unless such is prescribed by a regularly qualified physician.

42b. Q: Is Christian Science treatment provided?

A: Christian Science treatment may be provided in lieu of medical treatment, unless the employer has filed notice with the commission not to provide such treatment.

43. Q: Is there any limit as to medical and hospital benefits?

A: Absolutely none, except treatment must be reasonably necessary and the expense must be reasonable.

44. Q: Who supplies the physician?

A: The employer must give the employe his choice from a reasonable

number of doctors to be listed on a panel. The employe is also entitled to a second choice of physician if he is dissatisfied with the first physician chosen. The commission may, in addition, permit choice of some other doctor upon proper showing.

45. Q: What is a "reasonable number" of physicians?

A: That is to be determined by the commission in each case. Most employers list a very wide choice. If the employe believes the employer does not list an adequate number, or that proper treatment is not being given, he should take the matter up with the commission.

46. Q: Must the employe give notice to the employer that he needs treatment?

A: Yes; otherwise he must bear the expense himself, except that in case of emergency, the employer becomes liable for the reasonable value of necessary treatment before the time that it is possible to give notice. In case of occupational disease he may recover the reasonable expense of treatment incurred before he knew that his work caused his condition, even though notice is not given.

47. Q: Need artificial members, when worn out, be replaced?

A: No; only one suitable member is required to be supplied. If the member supplied is not suitable, a suitable one must be supplied.

48. Q: Suppose the employe refuses medical treatment?

A: He will lose his rights to compensation so far as his refusal results

in greater disability.

PAYMENT AND BASIS OF COMPENSATION

49. Q: When does compensation commence?

A: There is no compensation for the first three days following the day of first disability except as hereafter noted. For example, an employe who is injured and leaves work on the first day of the month is entitled to compensation only for such disability as results on and after the fifth day of the month. The first payment is due on the eleventh day for such disability as has then resulted, and weekly thereafter during disability. If there is disability following the tenth day after the day of first disability, compensation is also payable for the first three days. If compensation is not received within two weeks after injury, the employe should inform the commission.

50. Q: Are Sundays counted in the first three days?

A: No, unless the employe works on Sundays. Sundays are, however, counted in the running of the ten day period.

51. Q: Suppose there is disability which causes only partial wage loss?

A: Proportionate compensation is then paid; for half wage loss half of compensation payable for total disability is to be paid. If total disability calls for $68 compensation, half wage loss calls for $34.

52. Q: Is compensation payable for all days lost?

A: For each day except Sunday, one-sixth of weekly compensation is payable. That is true whether the employe works on Sundays or more or less than six days per week.

53. Q: Suppose disability prevents a man from ever earning again?

A: He receives compensation for the rest of his life.

54. Q: Suppose disability will always remain to the head or body, but some work can be done?

A: Compensation is then paid for a limited number of weeks, dependent on age, but never for more than 1,000 weeks in addition to the "healing period." To illustrate, if 50 per cent disability results to one 50 years of age or under, compensation is payable for 500 weeks, if twenty-five per cent disability, to 250 weeks, etc. In cases of persons over 50 years of age, the basic number of weeks for permanent partial disability to the head or body decreases by 2½ per cent each year until age 70, at which age there is no further reduction.

REHIRING OF EMPLOYE

55. Q: Is an employer required to rehire an employe injured in the course of employment?

A: No, but if an employer refuses to rehire such an employe without good cause, or if the employer discriminates against such an employe, the employer is subject to a forfeiture of $50 to $500 in an action by the State of Wisconsin.

56. Q: Who is entitled to receive death benefits?

A: Only persons named in the compensation act, including husband, wife, children 18 or under, grandchildren, parents, brothers and sisters, and members of family.

57. Q: How much death benefit can be paid?

A: The largest payment (in case of total dependency) is $19,430 and the smallest, $4,000.

58. Q: Suppose a person is receiving compensation for permanent disability and then dies from some cause other than injury?

A: Of the balance remaining unpaid, up to $500 is applied on burial expense. The remainder becomes payable to dependents not, however, in a sum greater than such dependents would have received if death had resulted from injury.

59. Q: What may parents receive as death benefit?

A: If they were on friendly terms with the son or daughter, $2,000 is paid as death benefit. However, if parents were totally dependent, they may receive as much as $4,000 to $19,430, varying with the wage of the employe.

60. Q: What may other dependents receive?

A: They may receive the amount which they might have expected to receive from the employe as contribution to support, but not more than $19,430 in any case.

61. Q: In addition to death benefit, is burial expense payable?

A: Yes, but not more than $500.

62. Q: What is the provision for additional payments to children of a widow who herself is to receive benefits?

A: Children 16 or under living with the employe at the time of injury may receive benefits from a state fund created for that purpose. The amount varies with age up to a total of $5,181.33 for one child (one year or younger) and is payable at the rate of 13 per cent of the weekly amount paid to the widow or widower.

METHOD OF PAYMENT

63. Q: Are benefits payable in installments or in one sum?

A: The purpose of compensation payments is to replace wage loss as and when it occurs. All compensation, including death benefit, is to be paid in installments as are wages unless a showing is made to the commission that interests of the employe or dependent will be conserved by more rapid or lump sum payments.

64. Q: Do employes or dependents lose compensation if they receive a lump sum payment?

A: As payments are normally due only in installments, three per cent compound interest is charged when payments are made more rapidly or in one sum.

SCHEDULES OF BENEFITS

65. Q: In case of loss of a member such as a hand, arm, leg, foot, eye, etc., how is compensation paid?

A: Schedules in the act provide payment for a certain number of weeks for loss by amputation, as of toes, arms, feet, etc., and for loss of vision or hearing. Loss of an arm at the shoulder, for example, calls for payment to a person aged fifty or under of 500 weeks compensation in addition to compensation for healing period. Loss of vision of one eye calls for 250 weeks compensation; loss of hand at the wrist, 400 weeks; loss of foot at the ankle, 250 weeks; loss of thumb at the proximal joint, 100 weeks, etc.

66. Q: Does it make a difference whether the right or left member is lost?

A: No the amount is the same.

67. Q: Does age make a difference?

A: There are reductions of 2½ per cent for each year after age 50 in the number of weeks allowed. For example, one aged 60 when injured will have compensation reduced by 25 per cent in the number of weeks allowed with no further reduction after age 70.

68. Q: Suppose there is not loss by amputation, but stiffness or other disability?

A: A proportionate number of weeks is then payable. If, for example, the loss of use is one-half of the arm, 250 weeks would be paid instead of 500.

69. Q: Where more than one member, such as finger, arm, hand, leg, etc., is affected, is there special provision.

A: Yes, additional amounts are allowed for multiple injuries.

DISFIGUREMENT BENEFITS

70. Q: Suppose disfigurement results?

A: Additional compensation up to $4,857.50 may be paid for disfigurement of the face, head, neck, hand or arm. It must be shown that the disability is such as probably will cause wage loss — this because the employe is unable to obtain work or must accept a lower wage because of disfigurement.

INCREASED AND DECREASED COMPENSATION

71. Q: Suppose it can be shown that the employer or employe was negligent?

A: Negligence makes no difference as to payment of compensation except as there may be violation of a safety order.

72. Q: May compensation be increased for any reason?

A: Yes. If injury is caused by reason of a violation by the employer of the "safe place" statute, or of a safety order, or because of failure of an employer reasonably to enforce compliance by employes with a statute or order, 15 per cent increased compensation becomes payable to the employe or his dependents.

73. Q: May compensation be decreased for any reason?

A: Yes, if the employe fails to follow rules for his safety or to use safety devices which the law requires, adequately maintained and the use of which is enforced compensation may be decreased 15 per cent. If injury occurs because of

intoxication, compensation is also decreased 15 per cent.

74. Q: What about illegal employment of minors?

A: If an employer is required to have a permit to hire a minor and no permit is obtained, the employe will receive double compensation for his injury. If he is employed at prohibited employment (whether or not he has a permit), he will receive trebel compensation. Under provision of the Child Labor law, certain employments have been prohibited to minors of certain ages.

75. Q: Who pays increased compensation?

A: It is paid by the employer and not by the insurance company, except if the employer is insolvent.

PRE-EXISTING DISAB TY

76. Q: Suppose an employe already has disability and injury causes additional disability?

A: If disabilities are sufficiently serious, that is, if such as to call for payment of at least 250 weeks of compensation for each disability, he may receive additional payments from a state fund. The employer thus pays only for the disability caused by his work, and the fund pays additional compensation.

REHABILITATION BENEFITS

77. Q: What about rehabilitation benefits?

A: If the employe has a type of injury which makes it difficult or impossible for him to do work

previously performed, he may, during a period not exceeding 40 weeks, receive expenses of travel and costs of maintenance, provided rehabilitation instructions are received elsewhere than at the place of his residence. During the period of rehabilitation compensation is continued on the basis of wage loss.

78. Q: Is there provision for training in the use of artificial limbs?

A: Yes; during such period applicant will continue to receive compensation and is entitled to all training and expenses necessary to attain efficient use of artificial members and appliances.

REPORT OF INJURY BY EMPLOYE

79. Q: What should an employe do when he suffers injury?

A: He should report at once to his employer directly, or through a foreman or designated person; he should submit promptly to all necessary first aid and medical treatment; he should submit to medical examination by the employer's doctor from time to time as requested; if compensation is not promptly paid, he should notify the Industrial Commission. Many slight injuries produce serious results because first aid or medical treatment is not immediately procured. Many claims are hard to prove because immediate notice of injury was not given to the employer.

HOW TO OBTAIN INFORMATION

80. Q: If an employe has doubt as to his rights or duties, what should he do?

A: He should promptly submit his question to the Workmen's Compensation Division, Industrial Commission, Madison, Wisconsin, or if at Milwaukee, he may consult the commission's examiner at 819 North Sixth Street, First Floor.

WC-94

INDUSTRIAL COMMISSION OF WISCONSIN
4802 Sheboygan Avenue
MADISON, WISCONSIN 53702

In view of your recent injury, the Industrial Commission wishes to give the following information regarding benefits provided by the Workmen's Compensation Law.

MEDICAL TREATMENT

1. After you report your injury and the need for treatment, your employer is required to provide a list of a reasonable number of physicians from which you may select your doctor. You may have a second choice if you are dissatisfied with the first. You may also apply to the Commission for another physician if you are dissatisfied with the doctor supplied.
2. If you fail to select a doctor from a proper list **YOU** must pay your doctor and hospital bills.
3. **If you are refused a choice from a proper list of doctors, you may choose your own doctor.** Your employer or his insurance company will then be liable for necessary medical and hospital bills.
4. Upon request, you should submit promptly to reasonable medical examination by any doctor named by the employer or insurance carrier. Failure to do so will suspend compensation.

COMPENSATION

5. Compensation payments are due on the 11th day after the beginning of disability and weekly thereafter during disability. If you have not received payment by the 15th day after disability commences, or if payments are not made regularly during disability, take the matter up with your employer and write to us.
6. No compensation is payable for the first three days following the day of first disability unless you still have disability after the 10th day following the day of first disability. The day on which injury is sustained is not counted as a day of disability for payment of compensation.
7. For total disability, compensation is 70 per cent of your average weekly wage, but compensation cannot be more than $68.00 in case of temporary total disability, or for permanent total disability. For permanent partial disability, compensation cannot be more than $46.00, and for all types of disability cannot be less than $8.75 per week. For temporary partial disability, compensation is proportioned to wage loss.
8. If your wage was $97.15 per week or more, you should receive the highest compensation payable to any employe ($68.00 per week or $46.00 per week as above noted.) If correct compensation is not paid, write to us.
9. A fixed number of weeks of compensation is set by law for the loss or loss of use of a member, as a foot, hand, finger, toe, eye, etc. If you have any question, write the Industrial Commission.
10. Returning to work does not end compensation should your injury force you to quit and again be disabled.
11. Any employer who refuses without reasonable cause to rehire an employe injured in the course of employment is subject to a penalty or forfeiture.
12. Do not be afraid to sign receipts for compensation payments received. When any compensation has been paid, the law keeps your claim open for six years, unless hearing is had before the commission or compromise agreement is signed.
13. If any question is in dispute and you make a compromise settlement (accepting less than you claim due), this settlement becomes final, although it is subject to review on request made within one year. All compromises must be approved by the commission, and if not approved, claim will still be open.
14. Please fill out the enclosed postal card showing the date on which you actually received the first compensation payment. If the payment has not yet been received, please keep the card and fill it out when you receive the first payment. (See also instructions on card.) **It is very important that this postal card be accurately filled out and returned to the commission.**
15. Do not hesitate to write to the Industrial Commission if you have any questions regarding the Workmen's Compensation Law, or settlement of your claim. Be sure to give name of your employer at the time of your injury.

Workmen's Compensation Division
INDUSTRIAL COMMISSION OF WISCONSIN

P.S. For injuries occuring before August 1, 1965, the highest compensation rate for temporary disability or permanent total disability was $64.00 and the highest rate for permanent partial disability was $44.50.

EMPLOYER'S FIRST REPORT OF INJURY OR DISEASE

Form W.C. 12 (Was A-12)

THE STATE OF WISCONSIN
Department of Industry,
Labor and Human Relations
WORKMEN'S COMPENSATION DIVISION
P.O. Box 2209, Madison 53701

STATISTICAL CODING BLOCK		

Employer must make this report directly to the Department of Industry, Labor and Human Relations on the fourth day after employe leaves work if disability still continues. In death cases, report must be made within twenty-four hours. In case of permanent disability, or where more than three days of temporary disability is certain to result, make report at once.

1. Date of report | Made out by | Position of person making out report

2. Employer's name | Employer is ☐ Individual ☐ Partnership ☐ Corporation

3. Employer's address Street No. City or Town | Employer's Telephone No.

4. Nature of business Manufacture, trade, transportation, etc. Specific product.

5. Name of your insurance company (If "self-insurer" by commission's order, so state) | Policy No.

6. Place where injury or disease occurred Place name County State
☐ City ☐ Village ☐ Township

INJURED EMPLOYE

7. Name (First) (Middle) (Last) | Social Security No.

Employe's current address (No. and St. or R.F.D.) City State Zip | Sex ☐ Male ☐ Female | Married ☐ Yes ☐ No

8. Age | Date of birth | Length of time worked for you | If employe under 18 was permit on file?

9. Occupation | Under which classification of your policy were his wages earned?

10. Is injured an officer, partner, proprietor or manager? ☐ Yes ☐ No If yes, state his position

CHECK IF MAXIMUM WAGE CONCEDED. ☐ IF NOT, COMPLETE WAGE INFORMATION BELOW:

11. Wage rate at time of injury $ per Hr. Week Month Other

	Hrs. Per. Day	Hrs. Per Week	Days Per Week
12. Injured employe's scheduled work week at time of injury			
13. Normal full-time employment for injured's kind of work			

14. For the 52 weeks prior to the date of the injury, report the number of weeks worked in the same kind of work, and the total wage, salary, commission, and bonus or premium earned for such weeks, as follows:

No. of weeks worked	Gross amount (excluding bonus or premium) $	Bonus or premium $	If piece worker, no. of hours worked

15. In addition to cash wage, did employe receive board ..... room..... tips..... laundry .....

16. Are his wages carried on your regular pay roll upon which your policy premium is based? | If he is employed by a jobber or contractor, give name

INJURY

17. Date of injury month day year time last day worked

18. Did injury occur in the course of his regular employment? ☐ Yes ☐ No | Previous physical defects

19. Describe fully how accident or disease occurred. (Note machine or part, tool, object, substance or thing most directly contributing to the accident or disease, giving special attention to unsafe acts and to the kind of accident as "Struck By", "Caught In," "Burning," "Fall," etc.)

20. Did injury occur because of (a) Intoxication ..... (b) Failure to use safety devices ..... (c) To obey rules .....

21. Nature and extent of injury. (State exactly the part of the body affected and the character of the injury or disease)

22. If employe has returned to work, give date ..... If not, how long will he be away from work? .....
Did death result? If yes, give the name, relationship, age, and address of dependents.
☐ Yes ☐ No

23. Name and address of doctor or hospital

24 Names of witnesses

ADMISSION OF SERVICE AND ANSWER TO APPLICATION

W. C. 19

STATE OF WISCONSIN
INDUSTRIAL COMMISSION
WORKMEN'S COMPENSATION DIVISION
MADISON, WISCONSIN

CLAIM NUMBER

APPLICANT	APPLICANT'S ATTORNEY

VERSUS

INSURANCE CARRIER

We are enclosing herein copy of an application for adjustment of claim which has been filed in this office. Under the rules of practice of the commission you will be given ten days within which to admit service and make your answer to the application. One copy should be mailed to us; one copy to the applicant or his attorney if he has one; and one should be retained for your record. Unless you deny liability you should proceed to pay compensation immediately, in accordance with the provisions of the law, and not require the applicant, as well as yourself, to incure the expense, incidental to a hearing before the commission. In the meantime all compensation which is concededly due and which has accrued should be paid and the commission notified. Payments clearly due should not be withheld because application has been filed.

THE RESPONDENT ABOVE NAMED, FOR ANSWER TO THE APPLICATION HEREIN, RESPECTFULLY STATES:

IT IS: (CHECK ONE)		
ADMITTED	DENIED	
		1. THAT APPLICANT SUSTAINED AN INJURY ON OR ABOUT THE DATE SET FORTH IN THE APPLICATION.
		2. THAT THE RELATIONSHIP OF EMPLOYER AND EMPLOYE EXISTED AT THE TIME OF THE ALLEGED INJURY.
		3. THAT THE PARTIES WERE SUBJECT TO THE WORKMEN'S COMPENSATION ACT AT THE TIME OF THE ALLEGED INJURY.
		4. THAT AT THE TIME OF THE ALLEGED INJURY THE EMPLOYE WAS PERFORMING SERVICE GROWING OUT OF AND INCIDENTAL TO HIS EMPLOYMENT.
		5. THAT THE ACCIDENT OR DISEASE CAUSING INJURY AROSE OUT OF THE ALLEGED EMPLOYMENT.
		6. THAT NOTICE OF INJURY WAS GIVEN EMPLOYER AS SPECIFIED IN APPLICATION.
		7. THAT APPLICANT WAS TEMPORARILY DISABLED FOR THE PERIOD STATED IN APPLICATION. IF DENIED, STATE TEMPORARY DISABILITY ADMITTED.
		8. THAT APPLICANT IS PERMANENTLY DISABLED TO THE EXTENT STATED IN THE APPLICATION. IF DENIED, STATE PERMANENT DISABILITY ADMITTED.
		9. THAT THE RATE OF WAGES AS SET FORTH IN APPLICATION IS CORRECT. IF DENIED, STATE WEEKLY WAGE ADMITTED.
		10. THAT THE ALLEGED EMPLOYER WAS INSURED UNDER THE WORKMEN'S COMPENSATION ACT AT THE TIME OF ALLEGED INJURY.

11. STATE EXACTLY WHAT MATTERS ARE IN DISPUTE AND YOUR REASON FOR DENYING LIABILITY. (USE OTHER SIDE, IF NECESSARY.) (IF ANY STATEMENTS ARE FOUND TO BE INCORRECT, YOU MAY FILE AN AMENDED ANSWER.)

AMOUNT OF COMPENSATION PAID TO DATE	DATED	SIGNATURE OF RESPONDENT

WC-16
REV. 5-66

State of Wisconsin
Department of
Industry, Labor, and Human Relations
WORKMEN'S COMPENSATION DIVISION
P. O. Box 2209
Madison, Wisconsin 53701

MEDICAL REPORT ON INDUSTRIAL INJURY

PATIENT

Name | Address

Employed by | Date of accident

HISTORY

Date of first treatment | Date of last treatment or exam

History as described by patient

DIAGNOSIS (Please be as detailed as possible)

DISABILITY (Describe elements such as limitation of motion, pain, weakness, etc. and describe effect on working ability)

What amputation present | Stump hardy or tender

Record motion losses on reverse side

PRIOR DISABILITY

What previous disability

PROGNOSIS

Prognosis

Date able to return to employment | Date actually returned to work | Patient discharged?

What period of temporary partial disability?

What permanent disability has resulted?

If healing has not ended, what is minimum permanent disability expected?

What further treatment should be given?

Additional comments, if any:

Date | City | Signature of physician (in own writing)

Instructions for finger injuries

Please use statutory terms in referring to fingers, such as thumbs, index, middle, ring, and little fingers, and distal, middle, and proximal joints, where there is limitation of motion list separately the normal range of flexion in degrees, the *"degrees" loss of flexon*, and the *"degrees" loss of extension* for each joint of each finger. The Industrial Commission will evaluate the loss of use due to loss of motion of the fingers.

Where there are other elements of disability of the fingers, such as deformity, weakness, pain, or lack of endurance, give your opinion on the percentage loss of use as compared to amputation for such elements of disability and specify the joint at which such loss is estimated.

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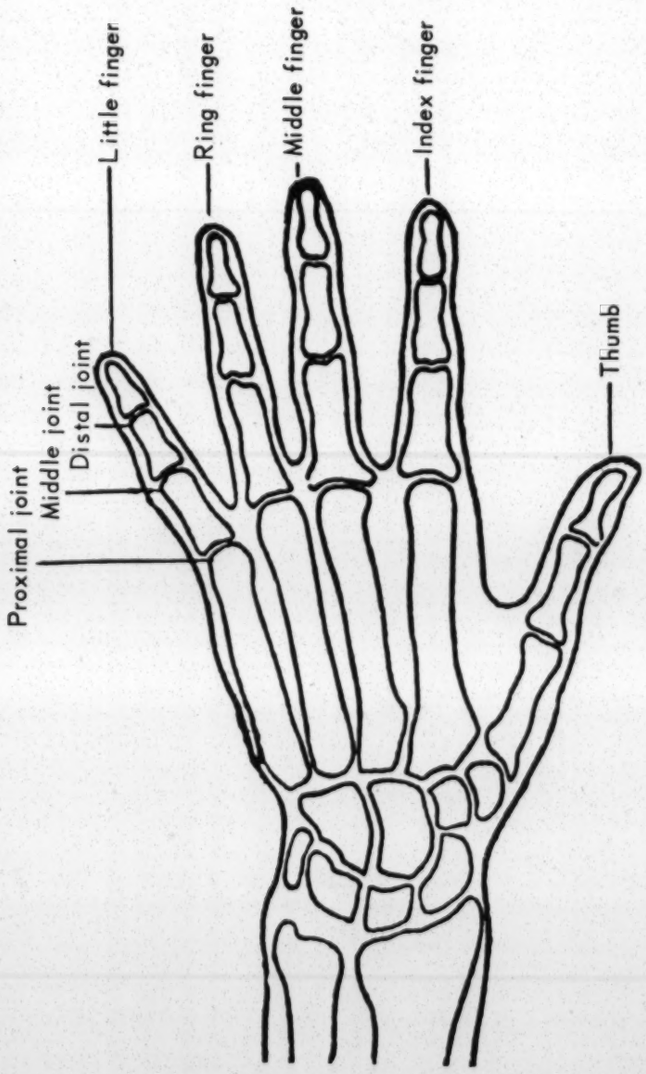


Physician's guide to estimating percentage of loss of use as compared with amputations at involved joints for ankylosis & motion loss only. Pain, loss of endurance, vascular changes, etc. would constitute additional disability.

SHOULDER

Total ankylosis at the shoulder with arm at side, scapula fixed	75%
Total ankylosis at the shoulder with arm at side, scapula free	55%
Limitation of active elevation to 45° but otherwise normal	35%
Limitation of active elevation in all directions to 90°, but otherwise normal	20%
Limitation of active elevation to 135% but otherwise normal	5%

ELBOW

Ankylosis of elbow joint at 45° less than full extension (radio-ulnar motion destroyed, hand 45° less than fully pronated)	60%
Total ankylosis of arm at elbow at right angles	
With radio-ulnar motion intact	50%
With radio-ulnar motion destroyed (hand 45° less than fully pronated)	70%
Ankylosis of arm at elbow at 45° less than full extension with radio-ulnar motion intact	45%
Limitation of motion of elbow joint (radio-ulnar motion unaffected)	
Remaining range, 90°–135°	20%
Remaining range, 135°–180°	35%
Ankylosis of radius and ulna, estimated at elbow joint (hand 45° less than fully pronated)	20%

WRIST

Ankylosis, straight position	25%

HIP

Ankylosis in alignment for normal standing position	50%
Shortening of leg (no posterior or lateral angulation, age 50 or less)	
1 inch	7%
1½ inches	14%
2 inches	22%

KNEE

Ankylosis at 170°	40%
Limitation of motion, remaining range 135°–180°	20%

ANKLE

Ankylosis—Favorable position 10 to 15 degrees equinus without loss of inversion and eversion	30%
Ankylosis—Favorable position with loss of inversion and eversion	40%
Loss of inversion and eversion with full dorsi and plantar flexion remaining	15%

APPLICATION FOR HEARING

FORM WC-7 8-1-66
WORKMEN'S COMPENSATION ACT
SEND ORIGINAL AND TWO COPIES TO →

STATE OF WISCONSIN
INDUSTRIAL COMMISSION
WORKMEN'S COMPENSATION DIVISION
P.O. BOX 2209
MADISON, WISCONSIN 53701

BE SURE TO NOTIFY THE COMMISSION OF ANY CHANGE IN ADDRESS. NOTIFY THE COMMISSION AT ONCE IF NOT FULLY PREPARED FOR HEARING

APPLICANT'S NAME AND ADDRESS	APPLICANT'S ATTORNEY (IF ANY) NAME AND ADDRESS
EMPLOYER'S NAME AND ADDRESS	INSURANCE CARRIER
EMPLOYER'S NAME AND ADDRESS (IF MORE THAN ONE)	INSURANCE CARRIER

EMPLOYE'S BIRTHDATE	AGE WHEN INJURED	MARITAL STATUS ☐ MARRIED ☐ SINGLE	NUMBER OF CHILDREN	SOCIAL SECURITY NO.

TIME OF INJURY	DATE OF INJURY	EMPLOYE WAS EARNING WHEN INJURED _____ PER DAY _____ PER WEEK _____ PER MONTH

DESCRIBE HOW INJURY OCCURRED (WHAT HAPPENED)

NATURE OF DISABILITY (DESCRIBE PART OF BODY INJURED AND KIND OF DISABILITY, AS STRAIN, FRACTURE, BACK, HEAD, BODY, ARM, LEG.

DISABILITY FOR WHICH COMPENSATION IS CLAIMED — STATE HOW LONG DISABLED (GIVE DATES). STATE WHAT PERMANENT DISABILITY EXISTS. IF INJURY RESULTED IN DEATH, GIVE DATE.

DATE ON WHICH NOTICE OF INJURY WAS GIVEN TO EMPLOYER	MANNER IN WHICH NOTICE TO EMPLOYER GIVEN

DOCTORS WHO TREATED INJURED (NAME AND ADDRESS)

WAS MEDICAL TREATMENT SUPPLIED BY EMPLOYER
☐ YES ☐ NO ☐ PARTIALLY
IF NO, WHAT EXPENSE WAS INCURRED FOR DOCTOR $_____ FOR HOSPITAL AND MEDICINE $_____

HAVE YOU PAID SUCH EXPENSE ☐ YES ☐ NO ☐ PARTIALLY	AMOUNT OF COMPENSATION PAID	COMPENSATION PAID TO WHAT DATE

WHAT QUESTION HAS ARISEN AS TO LIABILITY

WHERE SHOULD HEARING BE SCHEDULED

I WILL BE READY FOR FULL HEARING AT ANY TIME AFTER: (GIVE DATE) IF NOT FULLY PREPARED FOR HEARING, PLEASE SO STATE

DATE	SIGNATURE OF APPLICANT

ANSWER THIS SET OF QUESTIONS IF CLAIM IS MADE FOR DEATH BENEFIT

NAME OF DECEASED	RELATION OF DECEASED TO APPLICANT
WAS APPLICANT DEPENDENT ON DECEASED ☐ YES ☐ NO	APPLICANT LIVED WITH DECEASED AT TIME OF ACCIDENT ☐ YES ☐ NO

SUPPLEMENTARY REPORT ON ACCIDENTS AND INDUSTRIAL DISEASES
Form WC-13 (See Rule at foot of page)
Rev. 2-67

STATE OF WISCONSIN
INDUSTRIAL COMMISSION
WORKMEN'S COMPENSATION DIVISION
P. O. BOX 2209 MADISON

Do not fill in
File No.

1. Employer's Name | Address

2. Insurer's Name | Address of Adjuster

3. Name of Injured Employee

4. Address of Injured Employee Street and Number City or Town

5. Date of Accident or Illness | 6. Last Day Employee Worked

7. Nature of Injury or Illness (This should be stated in every case)

8. Rate of Wage
PER ☐ MONTH ☐ WEEK $

9. First Compensation Payment Made Date | Amount $

10. If Such Payment was not Made at the Time Required by Law, State Reason

FINAL REPORTS ON ACCIDENTS (To be filled out when last payment is made, or when payments are suspended)

11. PAYMENTS MADE AS FOLLOWS: (List additional payments on back)

Date	Amount		
	$	$	$
Date	Amount		
	$	$	$

12. If any Such Payments Were Not Made at Times Required by Law, State Reason

13. If Payments Stopped or Suspended Give Date and Reason

14. Date of Last Payment | 15. Date Injured Able to Return to Work

16. Payments to Compensate for Injury
TOTAL $

FOR TEMPORARY TOTAL DISABILITY $ for weeks and days

FOR TEMPORARY PARTIAL DISABILITY $ from Date to Date weeks and days

LOSS OF WAGES $ per day per week $ per day per week

$ $

$ $

FOR PERMANENT PARTIAL DISABILITY $

NATURE AND EXTENT OF DISABILITY – Follow schedule Sec. 102.52, 102.53 and 102.55 where applicable. If partial state extent of disability.

17. MEDICAL TREATMENT $ | 18. HOSPITAL TREATMENT $ | 19. FUNERAL EXPENSES $

20. FOR ARTIFICIAL MEMBERS $ as follows Description

21. Remarks

Rule 2. Employers or their insurers on all accidents which require a FIRST REPORT must:

1. Make a SUPPLEMENTARY REPORT, on this form on the eleventh day following that on which the accident occurred.

2. *Make another supplementary report immediately when payments are stopped for any reason. This report must be accompanied by an explanatory memorandum, if there is a dispute with the injured man.*

3. Make a FINAL REPORT on this form when final payment of compensation has been made, which must be accompanied by (1) a copy of the final receipt signed by the injured employe, and (2) A REPORT FROM A PHYSICIAN, IF THE DISABILITY EXCEEDS THREE WEEKS OR IF THERE IS ANY PERMANENT DISABILITY UNLESS THERE HAS BEEN A HEARING BEFORE THE COMMISSION.

WC-101

STATE OF WISCONSIN
INDUSTRIAL COMMISSION

WORKMEN'S COMPENSATION DIVISION
HILL FARM STATE OFFICE BUILDING
POST OFFICE BOX 2209
MADISON, WISCONSIN 53701

Your application for hearing has been served. You will soon receive an answer from the insurance company or self-insured employer showing what matters are in dispute.

At the hearing, be ready to offer testimony or evidence on the points in dispute. Arrange to have any witnesses present you feel will help to prove your claim. If any necessary witness refuses to appear, we will send you subpoenas which will compel his attendance. The cost of serving the subpoenas and any other cost or charge by any of your witnesses must be paid by you.

You must have medical proof if there is a dispute as to how much temporary or permanent disability you claim, or whether the disability arose out of the injury. If this is not in issue, no medical proof is required.

To save the expense of having the doctor present at the hearing, you may use his written report on our form WC-16B which, if certified or notarized, becomes his testimony. Please write for forms immediately if you intend to use them, as we must have the completed forms 15 days before hearing. If you prefer, you may have the doctor testify in person, in which case the form is not required.

An employee may have an attorney or agent help him prepare and present his case. If there is no attorney, the commission's hearing examiner will ask questions necessary to bring out the testimony of witnesses.

If you wish an attorney, he should be seen promptly so that he may properly prepare the case. He may not charge more than 20 per cent of the amount he helps to recover.

If you have any questions, write to this office. If you are in the Milwaukee area, you may see our Examiner, Mr. Kische, at 819 North Sixth Street, or telephone 224-4211.

Sincerely,

WISCONSIN INDUSTRIAL COMMISSION

Workmen's Compensation Division

WC-16-B

State of Wisconsin
Industrial Commission
Workmen's Compensation Division
Madison, Wisconsin

PHYSICIAN'S REPORT ON ACCIDENT OR INDUSTRIAL DISEASE IN LIEU OF TESTIMONY

(Prepare in duplicate and send both copies to Workmen's Compensation Division)

1. Name of Employe

2. Name of Employer

3. Date of accident or first illness

4. State in patient's own words the accident or work exposure to which he attributes the condition for which he saw you.

5. Give complete account of the nature and extent of disability, including subjective complaints, objective findings and your diagnosis.

6. Did you treat patient? If so, between what dates?

☐ YES ☐ NO

7. Date of last examination

Date disability from work began

8. Date injured was or will be able to return to full time work subject only to his permanent limitations.

9. Date injured was or will be able to return to a limited type of work

What limitations?

10. In your opinion, did the accident or work exposure described in Item 4 directly cause the disability?

☐ YES ☐ NO

11. If not directly, did the accident or work exposure in Item 4 cause the disability by aggravation or acceleration of a pre-existing condition?

☐ YES ☐ NO

(over)

12. Has accident or industrial disease resulted in any permanent disability?

☐ YES ☐ NO ☐ By aggravation of the following preexisting condition

13. What elements constitute disability (such as limitation of motion, deformity, weakness, pain, lack of endurance, etc.)? If limitation of motion, describe nature and percentage of limitation of each part of each member affected. (Make estimates on voluntary, not passive motion) If amputation, state exact point bone was amputated and whether stump is tender or hardy.

14. What percentage of disability to the member, eye, or ear involved, or to the entire body if injury is to torso or head, was caused by the accident or work exposure described in Item 4?

15. Do you expect that the above permanent disability will increase or that the condition will in any way improve? Please explain.

16. Do you expect that any further treatment will be necessary to cure or relieve from the effects of this injury?

☐ YES ☐ NO if YES, explain

17. Previous to this injury, did employe have any permanent disability?

☐ YES ☐ NO If YES, explain

18. I am a physician licensed in and practicing in Wisconsin

Year of graduation

Medical College

Physician's typed or printed name

Physician's address

CERTIFICATION

I hereby certify, subject to the penalty of fine and/or imprisonment, as provided in Sec. 943.39 of the Wisconsin Statutes, that the above report truly and correctly sets forth the history, my findings, diagnosis and opinion.

.....M. D.
(Signature of Physician)

Date

Section 102 17 (1) (as) provides that the contents of verified or certified medical and surgical reports presented by claimants for compensation shall constitute prima facie evidence as to the matter contained therein. Reports must be filed with the commission in duplicate fifteen days prior to the date of hearing to be acceptable as evidence. If not so filed, it will be necessary to produce the doctor to give oral testimony at the time of hearing.

U.S. DEPARTMENT OF LABOR
W. Willard Wirtz, Secretary

Workmen's Compensation Enactments in 1965

OVER 200 AMENDMENTS to workmen's compensation laws, in 43 States and Puerto Rico, were made in 1965. Of special significance were amendments providing full medical benefits in West Virginia; substantial increases in coverage, in Maine, Michigan, and Oregon; important administrative changes, in California and Oregon; special encouragement of rehabilitation services, in Michigan; and elimination of the limitation on the amount or period of benefits for permanent total disability or death, in Maine. In the latter State, the dollar limitations on maximum weekly benefits for disability or death were also removed; the maximum weekly benefits will be two-thirds of the average weekly wage in the State, as computed by the Employment Security Commission.

Administration

California and Oregon provided for extensive reorganization of the administration of their workmen's compensation laws. California divided the present functions of the Industrial Accident Commission between the Administrative Director of the Division of Industrial Accidents and a Workmen's Compensation Appeals Board of seven members, appointed by the Governor for 4-year terms. All judicial powers are vested in the Board, five members of which must be experienced attorneys. A medical advisory committee was also established.

The Oregon law creates a State Compensation Department to replace the Industrial Accident Commission. The Department will operate as a separate insurance company under a manager appointed by the Governor for a 4-year term. For the first time, private insurance carriers will be permitted to underwrite workmen's compensation. A Workmen's Compensation Board will regulate all workmen's compensation insurance in the State—the State Industrial Accident Fund, private carriers, and self-insurers. It will certify "direct responsibility" (self-insured) employers under a bond of not less than $100,000, assess employers and provide penalties for violations, supervise accident prevention and rehabilitation activities, and determine permanent disability ratings. Appeals will go from hearings officers to the Board, and from there to a circuit court judge; the jury trial has been eliminated.

Alaska's Workmen's Compensation Board was expanded from 3 to 5 members and divided into two panels, each panel to include the Commissioner of Labor or his designated representative, a representative of industry, and a representative of labor. The latter two members are to be appointed by the Governor.

Michigan increased its Workmen's Compensation Appeal Board from 5 to 7 members. Nebraska increased the number of judges on its Workmen's Compensation Court from 3 to 4; their terms were increased to 8 (from 6) years.

Hawaii strengthened its act by providing that the employer shall make a final report within 30 days after final payment. The report is to show the total payments made, the date of termination of temporary total disability, and such other information as the Director may require.

The California Labor Code relating to public works was amended to provide that every contractor to whom a public works contract is awarded shall sign and file a certificate stating that he is aware of the requirement for workmen's compensation insurance or self-insurance, and that he will comply with such provisions before commencing work.

Indiana law now provides that when the Industrial Board determines that an employer has acted in bad faith in adjusting and settling an award or has not pursued the settlement with diligence, then, if compensation is awarded, the Board shall fix the amount of the claimant's attorney fees and such fees shall be paid to the attorney by the employer and shall not be charged against the award to the claimant.

Maximum Benefits

Twenty-five States have increased maximum benefits for temporary total disability, as shown in the accompanying table. Fifteen States, the District of Columbia, and two Federal programs now pay maximum benefits of $60 or more; another seven States pay maximums of $55 or more. In several States, maximum benefits were also raised for permanent total disability, for partial disability, and for death. In addition,

(Reprinted by the Bureau of Labor Standards from The Monthly Labor Review, November 1965)

Wyoming raised benefits for permanent total disability and for death, and Idaho and South Dakota raised death benefits.

Burial allowances were increased to $750 (from $550) in Minnesota and (from $500) in Illinois, Michigan, and New Mexico; to $650 (from $500) in Nevada; to $600 (from $500) in Washington and (from $400) in Oregon; and to $500 (from $400) in Nebraska.

Medical Benefits

Several States liberalized medical benefits, so that all but 10 now provide unlimited benefits. In West Virginia, benefits are initially limited to $3,000, but the administrative agency may authorize additional benefits without limit. South Dakota removed its 20-week limitation; while retaining its initial limitation of $1,700, it now allows the Industrial Commissioner to authorize additional medical care to a maximum of $20,000 (instead of $2,900). Michigan deleted its provision that benefits beyond 6 months could be extended only for additional 6-month periods. New Mexico increased the initial amount of benefits to $5,000; the district court can extend benefits to $25,000. In Montana, the Industrial Accident Board may now order the replacement or repair of any prosthetic appliance damaged in an industrial accident. The New York law had already specified "full medical care;" the term has been extended to include optometric services and the provision of eyeglasses, false teeth, and artificial eyes. Nebraska now requires employers to furnish the first prosthetic devices needed by the injured worker, as part of the medical benefits to be provided; previously only devices necessary for treatment had been required.

Rehabilitation

Michigan provided that an injured worker shall be entitled to prompt medical rehabilitation services and, when necessary, vocational rehabilitation services. The vocational rehabilitation shall not extend beyond 52 weeks, unless the Workmen's Compensation Department orders its extension for up to 52 additional weeks. The Department may also order that the worker receive additional payments for transportation or for any other extra expense during the period of rehabilitation.

California provided that the Administrative Director may set up a rehabilitation unit to foster, review, and approve rehabilitation plans, to be initiated by the employer or insurance carrier. In addition to temporary disability benefits, the injured worker shall receive $52.50 weekly for up to 26 weeks as an advance on his permanent disability award.

Coverage

Oregon amended its law to provide for compulsory rather than elective coverage; it is estimated that an additional 200,000 workers will be covered. The New Hampshire law, which formerly covered employers of three or more persons, now covers employers of two or more.

In Maine, employers are now covered if they employ four or more workers (formerly six), and agricultural employment other than seasonal is now subject to the act. ("Seasonal" is defined as employment beginning with the planting season

MAXIMUM WEEKLY TEMPORARY TOTAL DISABILITY BENEFITS INCREASED IN 1965

State	Former maximum	New maximum	State	Former maximum	New maximum
Arkansas	$35.00	$38.50	New Hampshire	$45.00	$50.00
Colorado	43.75	49.00	New Mexico	38.00	40.00
Hawaii	75.00	112.50	New York	55.00	60.00
Illinois	51.00–61.00	[1] 62.00–76.00	North Dakota	45.00–60.00	50.00–65.00
Indiana	42.00	45.00	Oklahoma	37.50	40.00
Iowa	34.00–50.00	40.00–56.00	Oregon	32.31–66.92	39.23–73.85
Maine	42.00	([3])	Tennessee	36.00	38.00
Maryland	48.00	55.00	Utah	40.00–54.25	42.00–60.00
Michigan	33.00–57.00	[2] 58.00–91.00	Vermont	[4] 29.00	[4] 41.00
Missouri	47.50	52.00	Washington	38.08–71.54	42.69–81.23
Montana	29.00–50.00	35.00–56.00	West Virginia	38.00	42.00
Nebraska	40.00	42.00	Wisconsin	64.00	68.00
Nevada	45.00–62.31	48.75–67.50			

[1] For the first 64 weeks; thereafter reduced to $56–$68.

[2] Two-thirds of State's average weekly wage as computed by the Employment Security Commission.

[3] Effective Sept. 1, 1965. The maximum benefit rates will increase to $61–$92 on Sept. 1, 1966, and $64–$93 on Sept. 1, 1967. Thereafter, the maximum rates will be adjusted on the basis of $1 increase or decrease for each $1.50 change in the State's average weekly wage.

[4] Plus $2.50 for each dependent child under 21.

and terminating at the completion of the harvest season.)

The Michigan law was amended to cover employers of one or more persons working for 35 hours or more a week for 13 weeks or more during the preceding 52 weeks. In addition, employers of agricultural workers will be covered if they have employed three workers or more on a regular basis for 35 hours or more a week for 13 weeks or more during the preceding 52 weeks. As of May 1, 1966, agricultural employers with one or more employees working 35 hours or more a week for 5 consecutive weeks or more are to provide medical and hospital benefits to employees injured at work; this does not eliminate any remedy otherwise available to the employee against the employer.

A few States have added coverage, usually for specified public officials. Missouri covered employees of the Division of Welfare. Oklahoma included garbage and sanitation departments and fire departments within the provisions for hazardous employment. North Dakota added appointed officials of the State, and elective and appointed officials of political subdivisions, including municipal corporations. Nevada added regular and volunteer firemen, under certain conditions, to its occupational disease act. Vermont extended coverage to every elected or appointed executive officer of a corporation. Wyoming provided coverage for certain domestic aircraft pilots and flight personnel. On the other hand, Idaho exempted working members of a partnership from compulsory coverage, and California has expanded its definition of nonemployees to include athletes (other than regular employees participating in sports or athletics) who receive no compensation for such participation other than the use of athletic equipment, uniforms, transportation, meals, or lodging.

Subsequent Injury Fund

Minnesota amended its subsequent injury fund provision to permit the employer, in cases of subsequent injury, to be reimbursed from the Special Fund, under specified conditions, for all compensation paid in excess of 26 weeks of cash benefits and $1,000 in medical expenses. If it is determined that the subsequent injury, or the disability or death resulting from it, would not have occurred except for the preexisting physical impairment, the employer shall be reimbursed for the entire amount of compensation paid. Previously, the employer was reimbursed only for benefits paid in excess of 104 weeks of compensation. The requirement for registration with the Industrial Commission of employees with preexisting impairments is retained, but it is newly provided that an employee will be deemed to be registered if his preexisting impairment was caused by an injury for which compensation had been paid under the Minnesota workmen's compensation act.

Occupational Diseases

Added to the list of occupational diseases was asbestosis, in Montana; tuberculosis resulting from the care of patients in hospitals, in South Dakota; and tenosynovitis of the hand or arm, in Vermont.

Michigan created a Silicosis and Dust Disease Fund to reimburse employers or insurance carriers who have paid more than $12,500 in compensation benefits due to these diseases. The provision precluding payment for partial disability for such diseases, and limiting compensation for total disability to $10,500, was repealed effective May 1, 1966.

Florida provided for payment to firemen of benefits for tuberculosis, heart disease, or hypertension resulting in total or partial disability or death. The condition is presumed to be accidental, provided the fireman "shall have successfully passed a physical examination" upon entering the service as a fireman. Michigan provided that for county sheriffs and their deputies and members of the State police, "personal injury" shall be construed to include respiratory and heart diseases, or illnesses resulting therefrom, which develop or manifest themselves during a period while the officer is in the active service of his department and which result from the performance of duties. Nevada added a presumption that diseases of the lungs are compensable for certain firemen. New Jersey provided that any condition or impairment of health to a member of a voluntary fire department caused by a disease of the respiratory system shall be presumed to be an occupational disease unless rebutted by satisfactory proof.

—Lloyd W. Larson
Bureau of Labor Standards

HIGHLIGHTS OF PRESENT WORKMEN'S COMPENSATION LAW

November 1, 1965

Report of injuries arising out of and in the course of employment must be made immediately to your supervisor. A failure to report within 30 days will bar compensation excepting cases where the employer, through his supervisors had actual notice of what happened to the employee.

All injuries should be reported no matter how slight, as mere scratches have produced death by tetanus or lock jaw.

Claims for compensation must be filed within one year with the State Board of Workmen's Compensation. The mere reporting of an injury is not the filing of a claim. To file a claim you must, within twelve months of the date of the injury, either wirte the State Board of Workmen's Compensation a letter and state that you are filing a claim, or secure from the Board our Form 14, "CLAIM FOR COMPENSATION AND/OR APPLICATION FOR HEARING," complete and return this Form to the Board, or be forever barred. There are only two exceptions, a minor child under 18 years of age with no legal guardian appointed, or a person who is non compos mentis.

If you are paid compensation under an agreement approved by this Board, not just medical expenses, you have two years to come back on the grounds of a change in condition. This change in condition must be for the worse, a mere not getting well or any better is not sufficient.

Under the Compensation Law, the employer and/or insurance carrier is allowed to pick the doctor who is to treat you. Only when he fails or refuses can you select the doctor. If the doctor who is treating you fails or refuses to give you proper treatment, you may petition the Workmen's Compensation Board, under Code Section 114-501, to permit a change in doctors, setting out your reasons for making the request, in which case a different doctor may be appointed by this Board.

No compensation is payable for the first seven calendar days of incapacity resulting from an injury unless 28 consecutive days are lost. The compensation rate for total incapacity is based on the average weekly wage of the injured employee on the date of his injury with a maximum benefit of $37 per week, if his average weekly wage was $61.66 or more. The minimum benefit shall be $12 per week unless the average weekly wage was less than $12 in which case the actual wage shall be the weekly benefit. Otherwise the weekly benefit will be 60% of $40 or $24.

In no case shall the number of weeks paid exceed 400, nor shall the total amount of compensation paid exceed $12,500 for total incapacity.

For partial incapacity, if the injured employee is unable to earn as much money as he was making at the time of his injury, he is entitled to 60% of the difference in his wages with a maximum of $30 per week. For instance, if prior to his injury his average weekly wage was $100 and since the injury he is only able to earn $75 per week, he would be entitled to $15 per week as compensation which is 60% of $25. While on the other hand, if this same employee is now only able to earn $40 per week, his compensation rate would be $30 per week, the maximum allowed under this Code Section.

In no case shall the period covered by such compensation for partial incapacity be greater than 350 weeks from the date of injury. In case the partial incapacity begins after a period of total incapacity, the number of weeks paid for total incapacity shall be deducted from the maximum period herein allowed for partial incapacity. Further, the total compensation payable for partial incapacity in no case exceeds $9,000.

An employee sustaining a permanent partial industrial handicap to a specific member, shall be paid compensation for such permanent partial industrial handicap for the period specified by the Legislature. In addition, compensation for total incapacity for work as provided in Code Section 114-404 shall be paid for a period not to exceed 10 weeks, known as the healing period.

The specific member and number of weeks applicable as set out by the Legislature is as follows:

(a) Loss of thumb, 60% of average weekly wages for 60 weeks.

(b) Loss of first finger (Index finger) 60% of

average weekly wages for 40 weeks.

(c) Loss of second finger, 60% of average weekly wages for 35 weeks.

(d) Loss of third finger, 60% of average weekly wages for 30 weeks.

(e) Loss of fourth (little) finger, 60% of average weekly wages for 25 weeks.

(f) Loss of first phalange of the thumb or any finger shall be considered to be equal to the loss of one-half of such thumb or finger, and the compensation shall be for one-half of the period of time above specified.

(g) Loss of more than one phalange shall be considered the loss of the entire finger or thumb: Provided, that in no case shall the amount received for more than one finger exceed the amount provided in this schedule for the loss of a hand.

(h) Loss of a great toe, 60% of average weekly wages for 30 weeks.

(i) Loss of one of the toes other than a great toe, 60% of the average weekly wages for 20 weeks.

(j) Loss of the first phalange of any toe shall be considered to be equal to the loss of one-half of such toe, and the compensation shall be for one-half of the periods of time above specified.

(k) Loss of more than one phalange shall be considered as the loss of the entire toe.

(l) Loss of a hand, 60% of the average weekly wages for 160 weeks.

(m) Loss of an arm, 60% of the average weekly wages for 200 weeks.

(n) Loss of a foot, 60% of the average weekly wages for 135 weeks.

(o) Loss of a leg, 60% of the average weekly wages for 225 weeks.

(p) Loss of an eye, 60% of the average weekly wages for 125 weeks.

(q) Complete loss of hearing in both ears, 60% of the average weekly wages for 150 weeks.

(r) Complete loss of hearing in one ear, 60% of average weekly wages for 60 weeks.

(s) Total loss of use of a member or loss of vision of an eye shall be considered as equivalent to the loss of such member or eye. The compensation for partial loss of, or for partial loss of use of, shall be such proportion of the payments above provided for total loss as such partial loss bears to total loss. Loss of both arms, hands, legs, or feet, or any two of these members, or the permanent total loss of vision in both eyes, shall be deemed permanent total incapacity and shall be compensated under Section 114-404.

The weekly compensation payments referred to above shall be subject to the same limitations as to maximum and minimum as heretofore set out, ($37 maximum and $12 minimum per week).

The maximum medical benefit is $2,500 which was set up by Legislative Act for the purpose of attempting to treat an injured employee and to reduce his permanent disability to the lowest minimum, or in other words to attempt to restore the man as nearly as possible to his former condition. This money should be used by an injured employee in the same manner as he would use his own money—in a conservative manner.

The compensation law further provides that where an employee sustains an injury by accident arising out of and in the course of his empolyment and which produces his death, that the dependents of the deceased employee, wholly dependent on his earnings for support at the time of the injury, shall receive weekly compensation equal to 85% of the compensation which is provided for in Section 114-404 for total disability, for a period of 400 weeks. Partial dependents receive weekly compensation based on the average amount contributed weekly by the deceased to his average weekly wages at the time of his injury. Partial dependents *do not* receive compensation where the deceased employee leaves total dependents.

The compensation law further provides that in addition to any other compensation, the reasonable expenses of the employee's last sickness shall be paid without regard to the $2,500 medical limit, and burial expenses not to exceed $500.

In order to better protect all parties, the Board has revised the various Forms used in workmen's compensation cases. *ALL FORMS* should first be correctly filled in, then signed by all parties and filed with this Board.

When an employee is able to return to work, he certainly should not expect his employer to permit him to return to work without signing the Form 19 or Form 19A, whichever is applicable to his particular case, because any employer who does permit an employee to return to work without first signing one of these Forms, is running a terrible risk.

★ ★ ★

The Georgia State AFL-CIO is committed to improving this existing law, and will support, encourage and work for increased benefits and changes which will help Georgia workers when they are injured and incapacitated; and which will provide better security and benefits to widows and dependents of workers killed in industrial accidents.

W. H. Montague, Sr.
President, Georgia State AFL-CIO

MAJOR STANDARDS RECOMMENDED BY THE
INTERNATIONAL ASSOCIATION OF GOVERNMENTAL LABOR OFFICIALS
FOR STATE CHILD LABOR LEGISLATION AND THE EXTENT TO WHICH
EXISTING STATE CHILD LABOR LAWS MEET THESE STANDARDS

	RECOMMENDED STANDARDS	EXTENT TO WHICH STATE CHILD LABOR LAWS MEET RECOMMENDED STANDARDS
Minimum age	16 years in any employment in a factory; 16 in any employment during school hours; 14 in nonfactory employment outside school hours.	24 States and P.R. approximate this standard in whole or in part (Ala., Alaska, Colo., Conn., Ga., Ill., Ky., La., Maine, Md., Mass., Mont., N.J., N.Y., N.C., Ohio, Pa., R.I., S.C., Tenn., Va., W. Va., Wis., Wyo.)
Hazardous occupations	Minimum age 18 for employment in a considerable number of hazardous occupations. State administrative agency authorized to determine occupations hazardous for minors under 18.	Few, if any, States extend full protection in this respect to minors up to 18 years of age, though many State laws prohibit employment under 18 in a varying number of specified hazardous occupations. 25 States, D.C., and P.R. have a State administrative agency with such authority (Alaska, Ariz., Colo., Conn., Fla., Hawaii, Kans., La., Maine, Md., Mass., Mich., N.H., N.J., N.Y., N.C., N. Dak., Ohio, Oreg., Pa., Utah, Va., Wash., W. Va., Wis.)
Maximum daily hours	8-hour day for minors under 18 in any gainful occupation.	17 States, D.C., and P.R. have an 8-hour day for minors of both sexes under 18 in most occupations (Alaska, Calif., Colo., Ky., La., Mont., N.J., N.Y., N. Dak., Ohio, Oreg., Pa., Tenn., Utah, Va., Wash., Wis.) 5 other States have this standard for girls up to 18 (Ariz., Ill., Ind., Nev., N. Mex.).
Maximum weekly hours	40-hour week for minors under 18 in any gainful occupation.	5 States (Alaska, Ky., N.J., Tenn., Va.) and P.R. have a 40-hour week for minors under 18 in most occupations. In addition, Wisconsin has a 40-hour week for 16-year-olds in a school week. 11 other States (Ala., Fla., Ga., Hawaii, Md., Mo., N.Y., N.C., R.I., W. Va., Wis.) have a 40-hour week for minors under 16 in most occupations. In addition, Washington has a 40-hour week for minors under 16 when school is not in session.
Work during specified night hours prohibited*	13 hours of nightwork prohibited for minors of both sexes under 16 in any gainful occupation. 8 hours of nightwork prohibited for minors of both sexes between 16 and 18 in any gainful occupation.	7 States and P.R. meet this standard at least for most occupations (Hawaii, Iowa, Kans., N.J., N.Y., N.C., Okla.). In addition, Kentucky and Utah meet this standard for minors under 15; Ohio for girls under 16, and for boys under 16 on nights preceding schooldays; Oregon for minors under 16, except on special permits; and Virginia for minors under 16 on nights preceding schooldays. 11 States and D.C. prohibit 12 or 12½ hours of nightwork for minors under 16 (Ariz., Ill., Md., Mass., Minn., Mo., N.Mex., N. Dak., Pa., R.I., Tenn.). Missouri prohibits 12 hours of nightwork on nights preceding schooldays; Tennessee prohibits 12 hours of nightwork for minors under 16 attending school. 10 States, D.C., and P.R. meet or exceed this standard, at least for most occupations, (Ark., Conn., Kans., Ky., La., Mass., Mich., N.J., Ohio, Tenn.); Maryland meets the standard for those attending school.
Employment certificates	Required for minors under 18 in any gainful occupation.	23 States, D.C., and P.R. require employment or age certificates for minors under 18 in most occupations (Calif., Conn., Del., Fla., Ga., Hawaii, Ind., Ky., La., Md., Mass., Mich., Mont., N.J., N.Y., N.C., Ohio, Oreg., Pa., Utah, Va., Wash., Wis.). New Hampshire requires such certificates for minors between 16 and 18 in occupations subject to the provisions of the Federal Fair Labor Standards Act. Two other States (Ala. and Nev.) require such certificates for minors under 17.

*14 States and P.R. prohibit work of children under 16 after 6 p.m., 18 and D.C. after 7 p.m., and 15 after 8 p.m. or later. Of those prohibiting work after 6, 7, or 8 p.m., 11 permit work until 9 or 10 p.m. under certain circumstances, usually during vacations or on nights preceding nonschooldays.

U. S. DEPARTMENT OF LABOR, Bureau of Labor Standards, Washington, D. C. 20210 March 1966

Ohio 97¢ of $1.00 goes to injured worker
Avg with private insurance — 67¢

The Failure Of Workmen's Compensation Laws

oldest, least adequate — Only social insurance (required) using private insurance!

Workmen's compensation is based on the theory that, because accidents are inherent in production, their costs should be borne by the society which benefits from the production. It is also assumed that a system providing prompt cash and medical benefits would cost society less by reducing to a minimum the loss of the injured worker's productive services and the burden of supporting him and his family.

The Extent of Coverage

Although some individual state systems compile comprehensive statistics, there are no reliable statistics on the workmen's compensation system as a whole. The best estimates place total coverage of civilian wage and salary workers at about 80 percent, a percentage that has changed only slightly over the last 10 or 15 years.

Workmen's compensation laws may be classified as compulsory or elective. A compulsory law requires that a covered employer and employe must comply with the law. An elective law permits the employer the option of whether to accept coverage of the law. If the employer rejects coverage, he loses the common law defenses—assumption of risk, negligence of fellow workers and contributory negligence—when the worker files a suit. About one-half the state workmen's compensation laws are compulsory, while the remainder are elective.

Twenty-seven state laws exempt employers having less than a specified number of employes, ranging from 3 to 15. Many compensation laws not only limit coverage to certain persons and employment, but also as to injuries covered. Twenty states cover only those occupational diseases specifically listed in the law. Wyoming makes no statutory provision for coverage of occupational diseases; the Mississippi law covers only radiation disease; and the Alabama law lists only pneumonoconiosis.

Employes of charitable or religious institutions are frequently excluded, as are many state and local government employes. Most workmen's compensation laws exclude casual workers, domestics and agricultural workers. The exclusion of the latter persists in the face of its classification as one of the nation's most dangerous occupations.

Disability Benefits

A typical workmen's compensation law provides compensation for three kinds of disability—temporary total disability, permanent total disability and permanent partial disability. The first involves disability which is temporary and leaves no permanent physical impairment; the second is an injury which may restrict the earning power of a worker; and the third is a disability which permanently terminates an employe's useful working life.

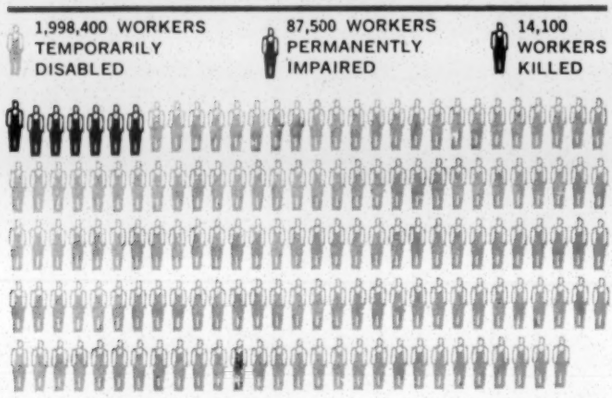
The large majority of industrial accidents, approximately 90 percent, involve temporary total disability. About 90 percent of these cases recover within a month and 75 percent in three weeks. The typical workmen's compensation law requires a one-week waiting period and allows no retroactive benefits for that week until the disability lasts beyond 28 days.

In addition, the benefit formula, though often stating a worker is entitled to two-thirds of his wages at time of injury, will also specify a maximum amount which ensures that a large majority of injured workers will receive much less. For example, take the case of

ECONOMIC TRENDS & *Outlook*

Prepared by Department of Social Security
Reprinted from March 1966
AFL-CIO AMERICAN FEDERATIONIST

ON-THE-JOB INJURIES – 1965



Source: U. S. Bureau of Labor Statistics.

an auto worker in Atlanta earning the average wage in the auto industry in that state of roughly $141 per week. If injured and unable to work for three weeks, he is entitled to 60 percent of his wages but only up to a maximum of $37 per week. In addition, he does not receive benefits for the first week. He would receive $74 in workmen's compensation benefits and lose $423 in wages—only a 17.5 percent replacement of wage loss.

Permanent partial disabilities are of two kinds: those that involve the loss or loss of use of a member of the body and those which cannot be so classified. Injuries to the back, head and nervous system are the most frequent examples of the latter kind. Most occupational injuries are of the first kind and are usually compensated for by means of a schedule.

In other words, a workmen's compensation law places a value on various parts of the human body. The total amount payable is calculated by multiplying the maximum number of weeks allowed for the particular injury by the worker's weekly benefit. For example, a worker in Georgia who loses an arm will be eligible for a maximum of $7,400 (200 weeks times $37). The maximum compensation for loss of a hand in Hawaii is worth more than loss of an arm at the shoulder in every state but one. An eye is worth a maximum of $16,800 in Arizona but only $3,000 in Mississippi. This variation between states is typical of the compensation for scheduled injuries.

Permanent total disability is the most costly kind of disability because the employe's useful working life is permanently and totally terminated. Most of these injuries involve paraplegia, blindness in both eyes, loss of both arms or both legs or some combination of this kind of anatomical loss. Unfortunately, though the injury is permanent, in about half the states the benefits are temporary. In these states, there are limitations in maximum monetary amounts or in duration ranging from 330 to 550 weeks and in monetary amounts from $10,000 to $30,000. A highly skilled worker who is injured and becomes a paraplegic is entitled to a maximum of $15,200 in Alabama, $12,500 in Georgia and $10,000 in South Carolina.

Death Benefits

The weekly benefit amounts in death cases are generally lower than in disability cases, especially where the widow is the only survivor. The lower benefits for widows were originally based on the theory that the death of the wage earner removed one mouth to feed.

In addition, only ten state workmen's compensation laws pay benefits to widows for life or until remarriage. For the death of a young father which deprives his widow and children of his lifetime of earnings, the State of Virginia will allow compensation for 300 weeks to a maximum of $11,700; Georgia, 400 weeks to a maximum of $12,500; North Carolina, 350 weeks and a maximum of $12,000; South Carolina, 350 weeks and a maximum of $10,000. It is particularly tragic that death benefits should be so low. The number of cases is so small, less than 1 percent, that substantial improvements could be made at a very small cost.

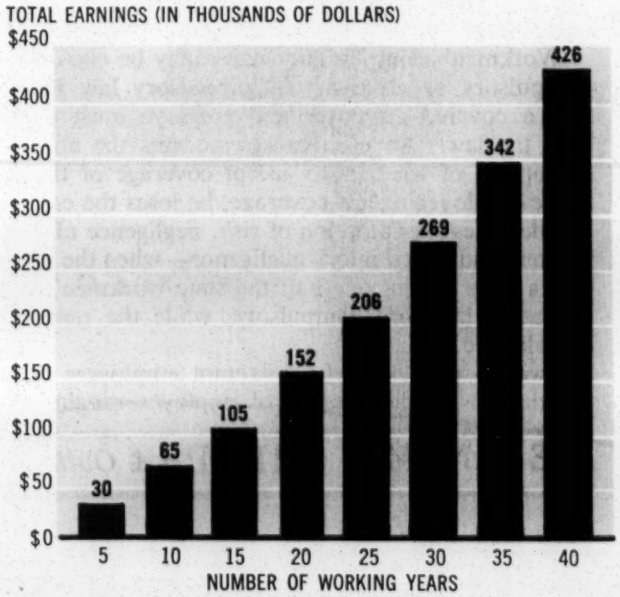
The Inadequacy of Benefits

The inadequacy of workmen's compensation benefits is particularly unfair since prior to workmen's compensation laws injured workers had the right to file suit against the employer. The worker relinquished this right in return for making workmen's compensation his exclusive remedy for occupational injury.

There long has been dispute in workmen's compensation as to the fairest method of measuring in-

A WORKER'S LIFETIME EARNINGS

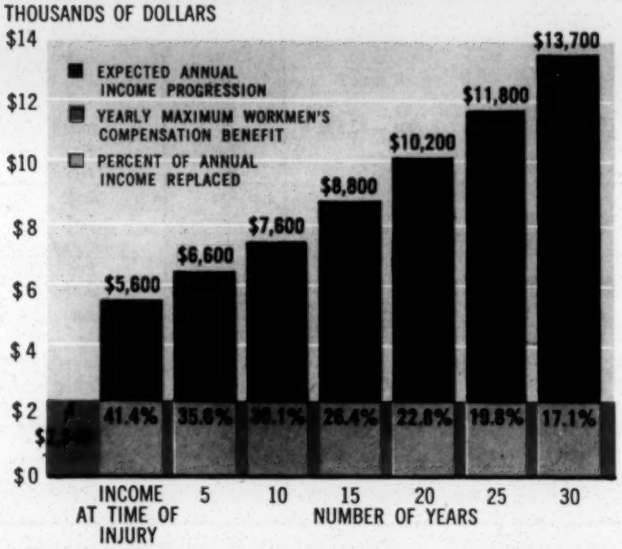
Estimated cumulative earnings of a worker now making $5,600 a year*



* Based on average U. S. factory worker's wage and assuming an annual 3 percent increase.

INDIANA – WHAT A DISABLED WORKER LOSES

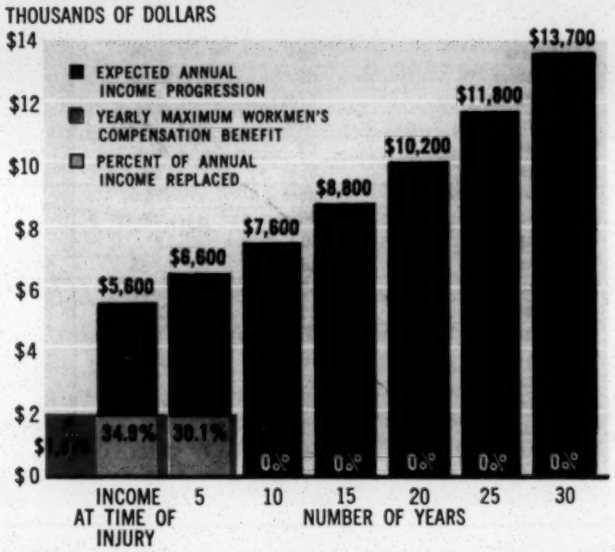
Estimated annual income* and the proportion replaced by state workmen's compensation benefit in event of permanent and total disability.



* Based on average U. S. factory worker earnings and assuming annual 3 percent increase.

ALABAMA – WHAT A DISABLED WORKER LOSES

Estimated annual income* and the proportion replaced by state workmen's compensation benefit in event of permanent and total disability.



* Based on average U. S. factory worker earnings and assuming annual 3 percent increase.

demnification for injured workers. An injured worker often endures pain, suffering and intense psychological shock. A severe injury such as the loss of arms or legs can affect his family and social life to such an extent that this can be a much greater burden than the loss of occupational earnings. There is more than the bearing of pain. How does one measure the cost of a handicap that prevents a father from romping with his young son or deprives an enthusiastic hunter the thrill of tramping the fields or the bowler his night out.

Many persons representing insurance companies or employers may say these factors are too precious to be measured in monetary terms and no effort should be made to do so. But there is ample legal precedent.

When workmen's compensation laws were first passed during the 1910-16 period, most laws provided benefits which enabled a large majority of workers to receive two-thirds of their wages during disablement. At the present time, only 3 states provide a maximum workmen's compensation benefit for temporary total disability equal to two-thirds of the state's average weekly wage. More than half the states have maximum benefits less than 50 percent of the state's average weekly wage. In contrast, in 1940 only 10 states had maximum benefit levels for temporary total disability less than two-thirds of the state's average weekly wage and none less than 50 percent.

The inadequacy of benefits for more serious injuries is even worse. For the worker permanently and totally disabled, or in the event of his death, he or his family can suffer for a lifetime.

The severe economic impact of limited benefits can be illustrated in representative states. In Indiana, for example, the average factory wage is above the national average and the workmen's compensation benefit is typical. An Indiana worker permanently and totally disabled on the job is eligible for $45 a week in benefits, a total of $2,340 a year. Yet he had been earning above the national average factory wage of $5,600 a year; at this level, and assuming an annual 3 percent wage rise, the Indiana worker could have expected to earn $65,000 over the next 10 years, $152,000 over 20 years and $269,000 over 30 years. Yet he is held to a fixed level, which steadily declines in proportion to rising wages. In Alabama, again a fairly typical state, a permanently and totally disabled worker is limited to 550 weeks of benefits or a maximum of $15,200. Thus the Alabama worker would receive in all a sum only three times what he had earned in just a single year.

Medical Care

In many states, the injured worker may still have to pay a portion of the medical cost of his injuries. Many states still limit full medical care by setting limits on time or monetary amounts. This is difficult to justify when the cost of providing full medical care is so inexpensive. Professor Earl Cheit of the University of California estimated in a 1962 study that providing unlimited medical benefits would increase costs ranging from 11.6 percent in Alabama to 2.7 percent for Virginia. It would mean 5.5 percent for Montana, Louisiana and Tennessee and 7.5 percent in Colorado and Georgia. The actual cost of these percentages is small. Workmen's compensation as a total program costs about $1.04 for each $100 of payroll and roughly

Workmen's Compensation Under State Laws, Jan. 1, 1966

INCLUDES ALL LEGISLATIVE ENACTMENTS DURING 1965

Jurisdiction	Temporary Total Disability[1]		Death Benefits		Maximum[2] Medical Care	Maintenance Benefits for Vocational Rehabilitation	Coverage of Occupational Disease
	Intended Benefit as % of Weekly Wage	Actual Maximum Weekly Benefit Allowed	Maximum Duration in Weeks	Maximum Total Payments			
Alabama	55-65%	$38	300	$15,200 [12]	2 yrs.—$2,400	No	(3)
Alaska	65	100	W,C-18 [4]	.....	2 yrs. [7]	Yes	Full
Arizona	65 [5]	150 [5]	W,C-18 [4]	.....	.....	Yes	Limited
Arkansas	65	38.50	450	12,500	6 mos. [7]	Yes	Full
California	61¾	70	250-293	.....	.....	No	Full
Colorado	66⅔	49	312	15,337-18,623.50	6 mos.—$3,500 [30]	No	Limited
Connecticut	60	61 [8]	W,C-18 [4]	.....	.....	Yes	Full
Delaware	66⅔	50	400,C-18 [4]	.....	.....	No	Full
District of Columbia	66⅔	70	W,C-18 [4]	.....	.....	Yes	Full
Florida	60	42	350	14,700	.....	No	Full
Georgia	60	37	400	12,580	10 wks.—$2,000 [10]	No	Limited
Hawaii	66⅔	112.50	W,C-18 [4]	25,000 [11]	.....	Yes	Full
Idaho	55-60	32-52	400,C-18 [4]	16,000	.....	No	Limited
Illinois	65-80	62-76	W,C-18 [4]	15,000-21,000	.....	No	Full
Indiana	60	45	450	20,000 [12]	.....	No	Full
Iowa	66⅔	40-56	300	14,250	(20)	No	Limited
Kansas	60	42	W,C-18 [4]	15,000	$6,000	No	Limited
Kentucky	66⅔	44 [6]	400	.....	$3,500 [26]	No	Full
Louisiana	65	35	400	14,000	$2,500	No	Limited
Maine	66⅔	57.74 [6]	W,C-18	.....	.....	Yes	Limited
Maryland	66⅔	55	500	15,000	.....	No	Full
Massachusetts	66⅔	58 [14]	400,C-18 [4]	16,000	.....	Yes	Full
Michigan	66⅔	58-91	500	.....	6 mos. [7]	Yes	Full
Minnesota	66⅔	45	W,C-18 [4]	17,500	.....	Yes	Full
Mississippi	66⅔	35	450	12,500	.....	Yes	Not by Statute [31]
Missouri	66⅔	52	W,C-18 [4]	16,500	180 days [7]	Yes	Full
Montana	50-66⅔	35-56	500	14,500-25,000	36 mos.—$2,500 [15]	Yes	Limited
Nebraska	66⅔	42	325	13,000	.....	No	Full
Nevada	65-90	48.75-67.50	W,C-18 [4]	.....	(28)	No	Full
New Hampshire	66⅔	45	341	17,050	(27)	No	Limited
New Jersey	[16]	45	350,C-18 [4]	.....	.....	No	Full
New Mexico	60	40	500	20,000	5 yrs.—$5,000 [17]	No	Limited
New York	66⅔	60	W,C-18 [4]	.....	.....	Yes	Full
North Carolina	60	37.50	350	12,000	10 wks. [7]	No	Limited
North Dakota	80	50-65	W,C-18 [4]	.....	.....	Yes	Full
Ohio	66⅔	49 [13]	.....	15,000-18,000	.....	Yes	Full
Oklahoma	66⅔	40	.....	13,500	60 days [7]	No	Limited
Oregon	50-90	39.23-73.85	W,C-18 [4]	.....	.....	Yes	Full
Pennsylvania	66⅔	52.50	500,C-18 [4]	.....	12 mos. [18]	No	Full
Puerto Rico	66⅔	35	W,C-18 [19]	.....	.....	No	Full
Rhode Island	60	45-57 [9]	500,C-18 [4]	.....	.....	No	Full
South Carolina	60	35	350	10,000	10 wks. [7]	No	Full
South Dakota	55	38	.....	12,000-15,000	$1,700 [21]	No	Limited
Tennessee	65	38	W,C-18 [4]	14,000	1 yr.—$2,500	No	Limited
Texas	60	35	360	12,600	.....	No	Limited
Utah	60	42-60	312	13,104-18,720	$1,283.38 [7]	Yes	Full
Vermont	66⅔	41	330	13,530	$5,000 [7]	No	Limited
Virginia	60	39	300	11,700	90 days [23]	No	Full
Washington	....	42.69-81.23	W,C-18 [4]	.....	.....	No	Full
West Virginia	66⅔	42	W,C-18 [4]	.....	$3,000 [24]	Yes	Full
Wisconsin	70	68	500-1,000	18,286 [25]	.....	Yes	Full
Wyoming	66⅔	40.38-60	W,C-18 [4]	13,000-23,000	.....	No	Not by Statute [29]
Federal Employes	66⅔-75	121.15	W,C-18 [4]	.....	.....	Yes	Full

[1] The lower figure represents the benefit for a single worker; the higher figure is the maximum for workers with dependents.

[2] Benefits may not exceed period of time or amounts indicated.

[3] Covers only specified dust or pulmonary diseases and/or diseases caused by the inhalation of poisonous gases or fumes.

[4] "W" means payment to widow until death or remarriage; "C" means payment to children until age specified.

[5] Plus an additional $10.00 per month if there are dependents.

[6] 55 percent of 85 percent of the average wage as computed by the Employment Security Commission in Kentucky and two-thirds of the State's average weekly wage in Maine.

[7] May be extended by commission without limit.

[8] 55 percent of state's average production worker wage.

[9] If worker is receiving benefits under the State temporary disability insurance act, benefits under the workmen's compensation act are limited to $40.00.

[10] An additional $500 may be allowed.

[11] Dollar maximum does not apply to children under 18 nor to unmarried children over 18 for 104 weeks beyond their 18th birthday, if incapable of self-support, nor to unremarried widow physically or mentally incapable of self-support.

[12] Disability benefits already made are deducted from death benefits payable.

[13] During the first 12 weeks of disability the amount is $56.00, but thereafter the maximum amount drops to $49.00.

[14] Provides $6.00 additional for each total dependent, not to exceed the average weekly wage of the employe.

[15] In cases of occupational disease, no time limit is imposed. If employe with occupational disease is able to continue work while undergoing medical treatment, medical benefit is limited to $1,000. In cases of total disability where the $2,500 is insufficient to meet all hospitalization expenses, additional benefits may be allowed.

[16] Benefits set in accordance with a "wage and compensation schedule period." Under this schedule, the 66⅔ percent level is substantially adhered to for workers earning wages of $45 a week or less. For workers who earn more, the schedule fixes benefits which are less than 66⅔ percent.

[17] Up to $15,000 may be authorized.

[18] Additional medical care if a showing can be made that such care will substantially restore earning power.

[19] Children studying until 25.

[20] Order of Commissioner required if aggregate exceeds $7,500.

[21] The Commissioner upon application and reasonable proof being furnished may order additional services not to exceed an aggregate cost of $18,300.

[22] Plus $2.50 for each dependent child under 21.

[23] Commission may extend for an additional period of 2 years.

[24] May be increased without limit, but no medical benefits are payable in silicosis cases.

[25] Additional death benefits payable from state fund for children.

[26] The commission may extend additional medical care in cases showing justifiable need.

[27] Reasonable medical and hospital services or other remedial care for 6 months and additional 6 month periods upon written request to the Commissioner. Commissioner may grant extension for aid not to exceed one year.

[28] Reasonable medical, surgical, and hospital treatment and supplies, apparatus, artificial members for six months, which may be extended.

[29] No specific coverage but some workers have won benefits through court decisions.

[30] Additional payments out of Medical Disaster Insurance Fund in excess of payments under Workmen's Compensation Act and Occupational Disease Act, maximum $35,000.

[31] The one exception is radiation disease.

one-third or less than 35 cents goes for hospitalization and medical costs. Though states vary, on the average a 5 to 10 percent rise would mean an increase of from 1.7 cents to 3.5 cents per $100 of payroll.

The quality of medical care is as important as full medical care. The right of the workmen's compensation agency to supervise medical care and the right of the worker to a choice of a qualified physician are an essential part of quality medical care. The agency has an obligation to ensure that an injured worker receives an accurate diagnosis at the outset and that there be continuing supervision of medical care until healing and recovery are as complete as possible. Unfortunately, only 22 state laws have specific provisions authorizing the workmen's compensation agency to supervise medical care.

Roughly three-fourths of all workers covered under workmen's compensation have their doctor chosen for them by their employer or by the insurance company on behalf of the employer. Though few doctors will deliberately falsify a medical diagnosis, medical rationalizations are possible when a significant portion of a doctor's income is derived from a few insurance carriers or employers. A physician does not retain clients when he continually decides against their interests. A doctor subject to such pressures may use the term "mild" on a medical report when he should have used the word "marked" and easily rationalize the accuracy of his diagnosis. The result for an injured worker may be a denial of benefits and economic hardship for his family.

Rehabilitation

Rehabilitation has been defined as "the restoration of the handicapped to the fullest physical, mental, social, vocational and economic usefulness of which they are capable." Though the rehabilitation movement is greatly indebted to the war disabled whose plight gave birth to the first national program after World War I, it was workmen's compensation which originated the concept of civilian rehabilitation. Of 12 states which passed rehabilitation laws before the federal government, nine restricted the benefits to industrial victims.

Advances in medical science and in rehabilitation techniques ensure that all but the most helpless cases, with adequate funds and proper administration, can be restored to productive and useful lives. Professor Herman Somers, in his book, "Workmen's Compensation," tells the story of a girl who had been a commercial artist:

"She came to the Institute with a broken neck, paralyzed in both arms and legs. Not being able to push, she could not use crutches. She could not flex her fingers enough to hold a paint brush. However, at the end of 7 months of rehabilitation she could raise her hands to her face. To enable her to paint again, the Institute designed for her a special soft-leather glove, made holes in it, and put the brush in the holes. She could paint almost as well as before she was hurt . . . homework was secured for the girl with an interior decorator and a textile manufacturer. The girl with the broken neck, and her father, became the support of an impoverished family of five."

The above is not an exceptional case. It is known that a man can get by not only without legs, but with only one lung, one kidney, without a stomach and without a large part of his intestines. A Swedish study utilizing a hypothetical, severely-disabled worker considered for a job in a shoe factory "showed that, even if he were blind in one eye, color-blind in the other, had curvature of the spine, arrested TB and rheumatic heart disease, had only one leg, a gluteal hernia and could not raise his arms above his shoulders, he could still perform 50 percent of the jobs in that factory."

The "miracles" of rehabilitation have been available for many years. In view of its long relationship with rehabilitation, the workmen's compensation system should have long ago made rehabilitation an integral part of the workmen's compensation program. Unfortunately, rehabilitation programs are provided by law in only about one-half the workmen's compensation laws and most of these are not fully satisfactory. Both the International Association of Industrial Accident Boards and Commissions and the U. S. Department of Labor have recommended a rehabilitation division within the workmen's compensation agency, for a separate division is most likely to achieve a successful rehabilitation program. Only 17 states have such a division.

Even in those states where full compensation is paid, workers who undergo rehabilitation generally must incur additional expenses such as travel, living expenses away from home, tuition and equipment. The injured worker can least afford these additional expenses right after a period of incapacity, living on inadequate workmen's compensation benefits. Frequently, financial considerations make it impossible for him to undergo physical and vocational rehabilitation. Though adequate maintenance benefits are an essential part of any rehabilitation program, only 19 states make provision for such benefits in their state laws.

The Financing of Workmen's Compensation

In workmen's compensation, employers insure their risk either with a private stock or mutual insurance carrier, with a state fund (competitive or exclusive) or they self-insure. Workmen's compensation is the only social insurance to rely primarily on the private insurance mechanism for financing.

In 1964, the total cost of workmen's compensation was $2.7 billion. Workmen's compensation benefit payments amounted to $1.7 billion or only 62 percent of the total. The primary reason for such a small proportion going to injured workers in benefits is the expense loading by insurance carriers. Expense loading is the portion of the rate set aside to meet anticipated underwriting expenses or overhead. The expense record of private insurance contrasts sharply with that of exclusive state funds. Such funds devote

Towards a Model Law

A good workmen's compensation law should meet the following minimum standards. Except for the exclusive state fund, all have been urged as standards by the U. S. Department of Labor and the International Association of Industrial Accident Boards and Commissions. No state law meets all these standards; only 18 states meet more than half of them.

1. Compulsory coverage, with no exemptions for small firms.
2. Full coverage of agricultural workers.
3. Benefit levels sufficient to maintain a decent standard of living for injured workers and their dependents, with maximum weekly benefits of not less than two-thirds of the state's average weekly wage.
4. Reciprocity of benefit rights between jurisdictions.
5. Time limits within which an employe must file a claim for occupational disease should be at least one year after the date the employe has knowledge of the nature of his disability and its relation to his job and until after disablement.
6. Full statutory coverage of all occupational diseases.
7. Coverage of diseases caused by ionizing radiation.
8. Full medical benefits for job-incurred personal injuries and occupational diseases.
9. Full compensation protection under second injury funds.
10. Choice of qualified physician by injured workers.
11. The workmen's compensation agency

on an average only 6 to 8 percent of premiums to expenses. The average for non-participating stock companies, participating stock companies and mutual companies average approximately 37 percent, 28 percent and 25 percent, respectively.

The insurance carriers claim that an exclusive state fund is a monopoly and deprives a state workmen's compensation program of a competitive system of compensation underwriting. This raises the free enterprise argument, which has much emotional appeal. It is an erroneous assertion. The legislature sets benefits and places administration in a governmental agency. Each insurer must write exactly the same policy.

The obvious conclusion is that if an exclusive state fund can return such a large portion of the premium dollar to the injured worker, while a private insurance company must burden the workmen's compensation system with a 30 to 40 percent overhead, there exists a just opportunity to vastly improve workmen's compensation laws without increasing costs to the employer. There is no real competition among insurance carriers in workmen's compensation and there is no reason why a public law requiring what is basically a tax should utilize private groups in its financing and administration.

Administration and Litigation

If injured workers and their families are to receive justice, there must be dissemination of information, investigation and enforcement of coverage, close supervision of claims settlements, adjudication of contested claims, supervision of rehabilitation and medical care, safety promotion and statistical analysis of the work of the agency.

Few workmen's compensation agencies carry out such programs to any substantial degree. Most emphasize their judicial functions at the expense of their administrative ones. Unfortunately, when workmen's compensation laws were passed, it was felt the system could be largely self-administered, that the parties would come to agreement on their own and that the workmen's compensation commissions would act primarily as a judicial body in contested cases. This philosophy prevails to a great extent even today and often the worker receives less than his full rights because a worker with unpaid bills piling up daily is not in a position to fight a long legal battle and frequently agrees to a quick but less satisfactory award.

Many of these awards are lump-sum settlements. The lawyer can usually get a larger fee with less work and with greater certainty if a lump-sum is paid. Employers and insurance carriers also favor lump-sum settlements since they are usually for much less than the worker would receive in weekly benefits and because they terminate liability and thus eliminate the danger of claims for additional compensation for aggravation of injury. The injured worker is soon forgotten.

The fact that there are some 200 to 250 insurance carriers writing workmen's compensation coverage compounds the problem. The caliber of performance varies widely. Some carriers pay benefits promptly, some do not. Some settle claims fairly, some will induce workers to settle for less than they are entitled to. The typical, understaffed workmen's compensation agency lacks the personnel or expertise to adequately police the settlements of so many carriers.

Litigation generally only involves those cases involving permanent total, major permanent partial and death cases. Minor injuries representing 80 to 90 percent of total injuries are not litigated. Most of these are temporary total disability cases, the bulk of which

should have the authority to supervise and control medical care.

12. The workmen's compensation agency should include a rehabilitation division which should promote full utilization and development of rehabilitation facilities for the benefit of injured workers.

13. Maintenance benefits during rehabilitation.

14. Administration under a state agency rather than by the courts.

15. An exclusive state compensation fund.

16. Benefits for the totally disabled for the period of disability.

17. In case of death, benefits should be paid to the widow until her death or remarriage and to children during their minority and to other dependents during the period of their inability to support themselves.

18. Minors under 18 who are injured on the job if employed in violation of any state law should be paid double benefits.

19. Prohibition of special contracts with employers whereby a worker with a specific physical defect waives his right to compensation in the event of subsequent injury.

20. Prohibition of lump-sum settlements and compromise of rights to full medical care under compromise and release settlements unless the workmen's compensation agency approves such a settlement on the advice of the appropriate state rehabilitation unit or agency.

21. Judicial review should be limited to consideration of the record of the workmen's compensation agency on questions of law only, without trial de novo. In addition, there should be an appeals board which has no administrative responsibilities and from which appeal on matters of law can be made to the state's highest court.

recover within three weeks. Because of the smaller sums involved, there is less inducement for employers to contest and for lawyers to take a case.

Workmen's compensation gets publicity with the unusual case, such as that of the business executive who wrenched his back while doing the twist on an out-of-town sales meeting, or the benefits to a Denver University football player injured in scrimmage, or the case of a New York office boy hurt when the paper clip he was shooting with a rubber band backfired into his eye. These kinds of cases give an erroneous impression of liberality when the general situation is one of inadequate benefits. One need only scan the court dockets to find verdicts as high as $100,000 for high wage earners who lose a leg in a liability case. This compares with a maximum of $34,000 in a state workmen's compensation law. Thirty-seven states provide less than a maximum of $10,000 for loss of a leg at the hip.

The modern industrial environment has contributed to litigation by making it increasingly difficult to delineate between occupational and non-occupational causes of disease. The more medical science discovers about the nature of disease, the more it ascribes cause to multiple factors. This conflicts with the basic presumption of a workmen's compensation law that causal relationship between the disease and the occupation can be determined.

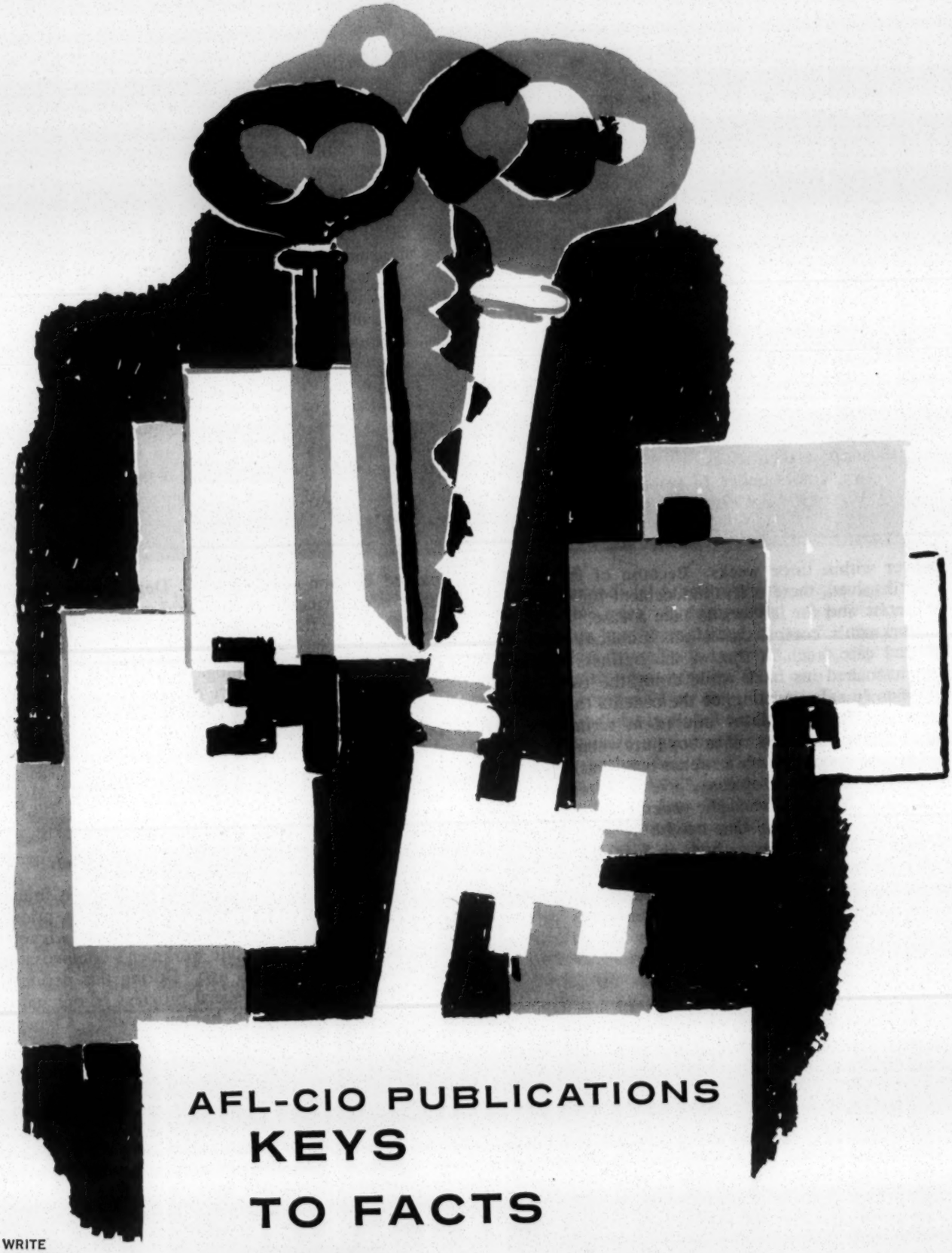
Interpretation of the vague phrase "arising out of and in the course of employment" has resulted in much litigation since the inception of workmen's compensation laws. This difficulty was enhanced when the later coverage of occupational disease was further liberalized by legal interpretations which made a disease compensable if the employment could be shown to have aggravated a condition which may have been caused by non-work factors. Degenerative diseases have been included in the workmen's compensation system on the theory that the employer takes the employe as he finds him and is responsible for aggravation of underlying pathological conditions.

Employers and insurance carriers attempt to resolve the problem by restricting coverage of workmen's compensation laws, thus in effect limiting their intended purpose. The solution is to improve the program, for its inadequacies have created a vacuum and further restrictions in occupational disease coverage will only increase the retreat in favor of other programs.

The Failure of Workmen's Compensation

The necessity of caring for an occupationally-injured worker and his family long has been given priority in the social conscience, but has been largely ignored in legislation. The first state workmen's compensation law was passed 55 years ago. During this period of time, the economic and social progress of our nation has been unparalleled in human history. Changing technology and industrial growth created vast and unprecedented social problems, which in turn generated new programs to resolve these human problems. Unfortunately, modernizing changes in state workmen's compensation laws have not kept pace.

If state workmen's compensation laws are to achieve their purpose of assured, prompt and adequate benefits, certain reforms are imperative. The only sure way to accomplish this change is federal legislation. Detailed and long arguments in behalf of federal legislation should not be necessary. The tragic record of over 50 years is argument enough. The AFL-CIO convention has urged enactment of a federal Workmen's Compensation Act. Short of this, Congress should enact legislation fixing minimum standards of workmen's compensation.



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BRIEF SUMMARY OF

STATE WORKMEN'S COMPENSATION LAWS

Fact Sheet No. 10
June 1966

U.S. DEPARTMENT OF LABOR

Bureau of Labor Standards
Washington, D.C. 20210

Size of Firm

Wis 3 or more — all but Ag.

Ga. 10 or more

Tenn. 5

Tex. 3 or more

Occupational Deferment

Ga, Tenn., Tex — Schedule Coverage

BRIEF SUMMARY OF STATE WORKMEN'S COMPENSATION LAWS

The main purpose of workmen's compensation laws is to eliminate the former uncertainties of getting damages for injuries at common law or under employers' liability laws. Before workmen's compensation laws were adopted, an injured employee had to file suit against his employer and prove that the injury was due to the employer's negligence. The employer, even though he had been negligent, could avail himself of the three common law defenses: "assumption of risk," "fellow servant rule," and "contributory negligence." That is, the employer could defeat recovery if it was proved that the employee's injury was due to the ordinary risks of his work, if it was caused by the negligence of a fellow worker, or if the employee by his own negligence in any way contributed to the injury.

The difficulties of obtaining redress under this system led to the enactment of employer's liability acts in many jurisdictions. These acts lessened the effectiveness of the defenses which the employer could use. But the employee still had to bring suit against the employer and prove that the accident was the fault of the employer. There were still the long delays in securing court action, the uncertainty of the result, and the high cost of negligence suits. Often the worker was still denied any compensation or damages.

Workmen's compensation laws are intended to assure prompt payment of benefits to employees injured in the course of their employment or to the dependents of those killed, regardless of fault, and with a minimum of legal formality.

HISTORY

Workmen's compensation laws had their beginning in this country almost 60 years ago. The first to be passed was the Federal Employees' Compensation Act, covering a small number of civil employees, in 1908. In 1911 ten States adopted such laws. The laws of Washington and Kansas were the first to be passed, both on March 14; the Wisconsin law was the first to go into effect--May 3. Others followed in the next few years. In 1916 the Federal Employees' Compensation Act was reenacted. By 1920 all but six States had workmen's compensation laws. Between 1920 and 1948, these six States adopted such legislation and another Federal law was passed--the Longshoremen's and Harbor Workers' Compensation Act--which was made applicable also, by separate act, to private employments in the District of Columbia. Thus there are now compensation acts in all 50 States, in the District of Columbia and Puerto Rico, and the two Federal acts, making a total of 54 acts.

TYPE OF LAW

There are great variations in the provisions of the different laws. For instance, they vary as to type of law, coverage, amount of benefits paid, insurance requirements, and administrative procedures.

Workmen's compensation laws may be classified as compulsory or elective. Under a compulsory act, every employer subject to it is required to comply with its provisions for the compensation of work injuries. An elective act is one in which the employer has the option of either accepting or rejecting the act, but in case he rejects it he loses the customary common law defenses--assumed risk of the employment, negligence of fellow servants, and contributory negligence. Although most employers elect to come under the act, some do not. Thirty-one of the workmen's compensation acts are compulsory for most of the employments covered:

Alaska	Maryland	Puerto Rico
Arizona	Massachusetts	Rhode Island
Arkansas	Michigan	Utah
California	Minnesota	Virginia
Connecticut	Mississippi	Washington
Delaware	Nevada	Wisconsin
District of Columbia	New Hampshire	Wyoming
Hawaii	New York	Longshoremen's and Harbor Workers'
Idaho	North Dakota	Federal Employees' Compensation
Illinois	Ohio	
	Oklahoma	
	Oregon	

The other twenty-three are elective:

Alabama	Louisiana	Pennsylvania
Colorado	Maine	South Carolina
Florida	Missouri	South Dakota
Georgia	Montana	Tennessee
Indiana	Nebraska	Texas
Iowa	New Jersey	Vermont
Kansas	New Mexico	West Virginia
Kentucky	North Carolina	

COVERAGE

Most of the laws apply to both private and public employments, but no compensation law covers all employments. There are still many gaps in coverage. Some laws restrict coverage to so-called "hazardous" employments. About half of the laws exempt employers having fewer than a specified number of employees. Usually the laws exclude farmwork, domestic service, and casual employments. Hired farmworkers constitute the largest population group deprived of workmen's compensation protection. Many laws also contain other exemptions, such as employees of charitable or religious institutions.

The laws are limited not only as to persons and employments included, but also as to injuries covered. Under the early laws, usually only "accidental" injuries were covered, which did not include occupational diseases. Gradually it has been accepted, however, that the worker suffering disability through occupational disease should be entitled to the same protection as a worker disabled through accidental injury. When such provisions were first included in State laws, they usually applied only to specific diseases. There is a growing trend, however, toward full coverage. Now the following 34 acts cover all occupational diseases:

Alaska	Maryland	Pennsylvania
Arkansas	Massachusetts	Puerto Rico
California	Michigan	Rhode Island
Connecticut	Minnesota	South Carolina
Delaware	Missouri	Utah
District of Columbia	Nebraska	Virginia 1/
Florida	Nevada	Washington
Hawaii	New Jersey	West Virginia
Illinois	New York	Wisconsin
Indiana	North Dakota	Longshoremen's and Harbor Workers'
Kentucky	Ohio	Federal Employees' Compensation
	Oregon	

The remaining States cover only listed diseases, except for Wyoming which has no provision for occupational diseases, although some workers have won benefits through court decisions.

In line with current trends, new legislation has been passed in many States to add coverage of radiation diseases where the State does not already have full coverage of occupational diseases. Now all but two States have some coverage of disability due to radiation. However, in several States this is very limited; in fact, coverage is adequate in only about a half dozen States.

The fact that occupational diseases are covered, however, does not mean that benefits are the same as for accidents in all cases. In about a third of the States, medical benefits are less than for accidental injuries--at least for some diseases. In a few States lower indemnity benefits are paid or even no benefits for partial disability.

Number of Workers Covered

Because of the various coverage limitations and the fact that almost half the laws are elective rather than compulsory, many thousands of workers are still unprotected by these laws. Estimates of the number of workers covered under the State and Federal programs indicate that about 80 percent of the workers in this country are covered. This leaves about 20 percent of the total workers without protection under workmen's compensation for injuries suffered on the job. Many of these unprotected workers are included in the two million persons each year who suffer occupational injuries or death.

1/ Virginia: Employer may elect schedule coverage.

BENEFITS

Under the workmen's compensation laws, various types of benefits are provided the injured worker, or, in case of his death, his family. These include medical services, benefit payments to the worker during period of disablement and for permanent disabilities, death benefits to the worker's family, and under nearly all laws, burial expenses. In many States they also include special benefits--for instance, a lump sum in case of disfigurement, rehabilitation services for the injured workers, or extra benefits for minors injured while illegally employed.

Medical Benefits

When a worker is injured he first of all needs medical aid, and perhaps hospitalization. All the compensation laws require medical benefits to be paid, but the amount and duration of such payment varies under the different laws. About four-fifths of the acts provide for full payment for all the medical aid and hospitalization required. The remaining laws set limitations, either upon the length of time the worker may receive such benefits, or upon the amount of money benefits he may receive, or both. (See Table 1, p.8, for a summary of the medical benefit provisions.)

Disability Benefits

There are various types of disabilities for which benefits are paid. The great majority of compensation cases involve temporary total disability--that is, the employee is unable to work at all while he is recovering from the injury, but he is expected to recover fully.

The monetary benefits in all but one of the laws are based on a percentage of the worker's average wages, usually 60, 65, or 66-2/3 percent. Injured workers, however, do not necessarily receive the amount of their wage loss that would be indicated by the percentage. Other provisions in the laws, such as the waiting period and maximum dollar limitations on weekly and total aggregate payments, operate to reduce the amount.

While benefits have been constantly increasing by liberalization of the weekly and total maximums, they have not kept pace with rising wages. When compensation laws were originally passed, the maximums set in the laws were sufficiently high so that the injured workers usually received the proportion of wage loss specified. Today, the dollar limitations on maximum payments in most cases operate to nullify the statutory percentage, which is usually 66-2/3 percent. It has been estimated that the maximum weekly benefits for temporary total disability now amount to less than 50 percent of the average weekly wage. In nine of the jurisdictions, the maximum weekly benefits for temporary total disability are still below $40, including benefits for dependents. Twenty-two of the laws now provide a weekly

maximum of $55 or more for an injured worker with a wife and two dependent children: the two Federal laws and those of Alaska, Arizona, California, Connecticut, the District of Columbia, Hawaii, Illinois, Maine, Maryland, Massachusetts, Michigan, Nevada, New York, North Dakota, Ohio, Oregon, Rhode Island, Washington, Wisconsin, and Wyoming. (See Table 2, p. 11, for a summary of the benefit provisions for temporary total disability.)

In cases of permanent total disability, the worker has become permanently injured in such a manner that he is unable to work at all, or unable to work regularly in any well-known branch of the labor market. In most States, in case of certain injuries, such as the loss of sight of both eyes, loss of both feet or both hands, or the loss of one hand and one foot, the resulting disability is conclusively presumed to be permanent total. The two Federal acts and those of 31 jurisdictions pay benefits for life or the entire period of disability. The balance of the laws limit either the period during which such benefits may be paid or the maximum amount that may be paid, or both. Where they are so limited, the time periods range from 330 to 500 weeks, and the money limitations range from a low of $10,000 to a high of $30,000. In the laws that limit permanent disability benefits, although the worker is still completely disabled, no provision is made for compensating the employee after the time or money limitations have been reached. (Table 3, p. 14, summarizes the benefit provisions for permanent total disability.)

Another type of disability is designated permanent partial disability. This means a worker has a permanent injury, but he is usually able to work. If he cannot go back to his old job, he can often do, or be trained to do, other types of work. There are two classes of permanent partial disabilities: schedule injuries, meaning the loss of an arm, leg, eye, ear, or other member of the body; and nonschedule injuries, which are those of a more general nature, such as a disability caused by injury to the head or back.

Benefits for schedule injuries, under most laws, are payable for a fixed number of weeks, depending upon the member of the body that has been lost. For instance, in one State, benefits are paid for 269 weeks for loss of an arm, 215 weeks for loss of a hand or leg, 65 weeks for a thumb, and 162 weeks for loss of sight of an eye. There is great variation from State to State in the number of weeks set and consequently in the benefits received. This is illustrated by the fact that for loss of an arm at the shoulder the number of weeks ranges from 175 to 500 in the various States. The permanent loss to an individual of some member of his body, which may affect his present working capacity or his future job opportunities, requires not only physical but emotional adjustments. The idea of a fixed period for schedule injuries is to give the injured worker time to make such adjustments. It is also a recognition of the likelihood that the injury, in the average case, will result in a certain amount of loss of earnings or loss of earning capacity over the lifetime of the injured worker. Under about half the laws there are express provisions for rehabilitation in the form of retraining, education,

job guidance, and sometimes placement, to help the injured person make the adjustments and find suitable work before the period of compensation runs out.

For nonschedule permanent partial injuries, a percentage of the disability to permanent total, or to schedule injuries, is sometimes made and payments made accordingly. In other laws the benefits are based on the difference between the wages before injury and the wages the worker is able to earn after the injury. Under most of the laws, such benefits have time or monetary limits, as for other types of disability. About three-fourths of the laws provide that the benefits for permanent partial disability are in addition to those received for temporary total disability. A few States deduct the compensation received for temporary disability from the allowance for permanent partial disability. (Table 4, p. 19, shows minimum and maximum benefits for both schedule and nonschedule injuries, and maximum periods for nonschedule injuries. Table 5, p. 23, shows the number of weeks for which compensation is payable for certain schedule injuries.)

Death Benefits

The purpose of death benefits is to provide income for families or other dependents of the deceased workman. The amount of compensation and the length of time it is paid varies considerably under the different laws. In Arizona, Connecticut, the District of Columbia, Maine, Nevada, New York, North Dakota, Oregon, Puerto Rico, Washington, West Virginia, and the Federal employees' and longshoremen's acts, the laws provide for the payment of benefits to a widow for life or until remarriage, and in case of children until they are 18 (sometimes beyond 18 if the children are incapable of self support). The other States limit the period or the total amount of payments, or both; benefits for the widow vary in maximum weeks payable from 300 weeks to 500 weeks, and the maximum monetary death benefits range from $10,000 to $35,100 for a widow and children.

In all but one of the compensation acts, provision is made for the payment of burial allowances, the maximum amount ranging from $200 to $1,000; over half pay $500 or more. (Table 6, p. 29, contains a summary of the death benefit provisions.)

Illegally Employed Minors

All the acts cover legally employed minors. Eighteen of them (those of Alabama, California, Florida, Illinois, Indiana, Maryland, Massachusetts, Michigan, Mississippi, Missouri, New Hampshire, New Jersey, New York, Pennsylvania, Puerto Rico, Rhode Island, Utah, and Wisconsin) provide additional compensation, usually double, in the case of injury to minors who are illegally employed. Three States--Oklahoma, Vermont, and West Virginia--do not cover minors illegally employed. In the remaining States, the District of Columbia, and under the Longshoremen's and Harbor Workers' Act, compensation is paid to minors illegally employed on the same basis as if they were legally employed.

REHABILITATION

Rehabilitation of a handicapped person has come to mean the greatest possible restoration of the person in every phase of his life--physical, mental, social, vocational, and economic usefulness. But the number of workers who receive rehabilitation is far below what it should be.

Workmen's compensation agencies have a special responsibility with respect to the rehabilitation of the worker injured in the course of his employment. Such agencies are the first State agencies to hear about a work injury and are thus in a position to promote the rehabilitation of the worker shortly after his injury. Authorities agree that early referral to a rehabilitation program is essential to accomplish maximum results. Unless rehabilitation begins as soon as possible following the injury, maximum physical restoration may be prevented.

Although rehabilitation is now considered an essential feature of a complete workmen's compensation program, progress in making provisions for it under workmen's compensation laws unfortunately has been slow. Special provisions relating to rehabilitation are included in the laws of only 29 jurisdictions and the two Federal acts. (Table 7, p. 33, shows the maintenance and other benefits payable under these laws.) The benefits are in addition to the provisions of the Federal Vocational Rehabilitation Act. Under that act, a Federal-State rehabilitation program is operated in all the States, the District of Columbia, and Puerto Rico, by the State divisions of vocational rehabilitation. Services include medical care, counselling and guidance in selecting the right job, and training for and placement on the right job.

Table 1.--Medical Benefits

State	Full benefits: Law specifies full benefits	Full benefits: Law authorizes administrator to extend without limit
Alaska	No	Yes.
Arizona[1]	(2)	(2).
Arkansas[1]	No	Yes.
California	Yes	
Connecticut	Yes	
Delaware	Yes	
District of Columbia	Yes	
Florida	Yes	
Hawaii	Yes	
Idaho	Yes	
Illinois[1]	Yes	
Indiana	No	Yes.
Iowa	No	Yes.
Kentucky	No	Yes.
Maine[1]	Yes	
Maryland	Yes	
Massachusetts	Yes	
Michigan	Yes	
Minnesota	Yes	
Mississippi	Yes	
Missouri	No	Yes.
Nebraska	Yes	
Nevada[1]	No	Yes.
New Hampshire	No	Yes.[3]
New Jersey	No	Yes.
New York	Yes	
North Carolina[1]	No	Yes.[3]
North Dakota	Yes	
Ohio	Yes[4]	
Oklahoma	No	Yes.
Oregon	Yes[4]	
Puerto Rico	Yes	
Rhode Island	No	Yes.
South Carolina	No	Yes.
Texas[1]	Yes	
Utah[1]	No	Yes.
Vermont[1]	No	Yes.
Washington[5]	Yes	
West Virginia	No	Yes[6]
Wisconsin	Yes	
Wyoming	No	Yes.
United States:		
Federal employees	Yes	
Longshoremen	Yes	

See footnotes at end of table.

Limited Benefits

State	Initial limitation		Limitation on time or monetary benefits after extension by administrative agency
	Time	Money	
Alabama	2 years	$2,400	No additional benefits permitted.
Colorado	6 months 7/	3,500	No additional benefits permitted.
Georgia	10 weeks	2,000	Unlimited time and $2,500.
Kansas		1/6,000	No additional benefits permitted.
Louisiana		2,500	No additional benefits permitted.
Montana	36 months 8/	9/2,500	(8/).
New Mexico	5 years	5,000	$25,000.
Pennsylvania	1 year		(3/).
South Dakota		1,700	$21,700.
Tennessee	1 year	1,800	$2,500.
Virginia	90 days		3 years.

1/ However, benefits are limited for occupational diseases in Arizona (to $1,000) and in Utah (to $1,925.01); and for silicosis or asbestosis in the following States: Arkansas, 180 days; Illinois, 6 months; Kansas, 120 days--may be extended up to 210 days in special cases; Maine, $1,000; Nevada, $50 per month; North Carolina, $1,000 a year, 3 years; Texas, 91 days; Vermont, $1,000.

2/ Arizona: Full medical aid, in the judgment of the Arizona Industrial Commission, is authorized through a combination of the medical care and rehabilitation provisions of the law.

3/ Additional medical care may be ordered in New Hampshire if supported by findings of three physicians; in North Carolina if the care would lessen the period of disability; and in Pennsylvania if it would substantially restore the worker's earning power.

4/ The Ohio and Oregon laws set no initial amount or period; all medical benefits authorized by the administrative agency. In Ohio in silicosis cases, no medical benefits payable except in case of total disability or a change of occupation.

5/ Washington: Under certain conditions, medical benefits terminate.

6/ West Virginia: No medical benefits are payable in silicosis cases.

7/ Colorado: The 6-month limitation applies to accidental injuries; there is no time limitation for occupational diseases. Benefits for silicosis, asbestosis, and anthracosis are payable only if the commissioner determines that medical treatment will materially improve the worker's condition.

8/ Montana: In cases of occupational diseases: (a) the 36 months does not apply; (b) the $2,500 and its extension applies if the disability is total; and (c) if an employee continues work while undergoing medical care, the monetary benefits are limited to $1,000.

9/ Montana: In cases of total disability where $2,500 is not sufficient, an additional monetary amount may be allowed for hospitalization.

Table 2.--Minimum and Maximum Benefits for Temporary Total Disability

State	Maximum percentage of wages	Maximum period	Payments per week		Total maximum stated in law
			Minimum	Maximum	
Alabama	1/55-65	300 weeks	$15.00, or average wage if less	$38.00	
Alaska	65	Duration of disability	$25.00, or average wage if less	$100.00	$17,000
Arizona	65	433 weeks	$30.00, if worker is 21 years of age or over, plus $2.30 for total dependents.	$150.00, plus $2.30 for total dependents.	
Arkansas	65	450 weeks	$10.00	$38.50	$14,500
California	2/61-3/4	240 weeks	$25.00	$70.00	
Colorado	66-2/3	Duration of disability	$11.50	$49.00 3/	(3/)
Connecticut	60	Duration of disability	$20.00	55% of State's "average production wage wage." 4/	
Delaware	66-2/3	Duration of disability	$25.00, or actual wage if less	$50.00	
District of Columbia	66-2/3	Duration of disability	$18.00, or average wage if less	$70.00	$24,000
Florida	60	350 weeks	$8.00, or actual wage if less	$42.00	
Georgia	60	400 weeks	$12.00, or actual wage if less	$37.00	$12,500
Hawaii	66-2/3	Duration of disability	$18.00, or average wage if less	$112.50	$25,000
Idaho	1/55-60	400 weeks;5/ thereafter $15 per week ($18.00 if dependent wife) plus $4 to $15 for children, for duration of disability.	$15.00 ($18.00 if dependent wife) to $33.00.1/	$32.00 to $52.00 1/ (see column 3).	
Illinois	1/65-80 + (42.5% of 65-80)	Duration of disability until equivalent of death benefits is paid, except in specific injury cases limited to 64 weeks.	$31.50 to $49.00 1/	$62.00 to $76.00.1/ After first 64 weeks reduced to $56 to $68.	$15,000-$21,000
Indiana	60	500 weeks	$18.00	$45.00	$20,000
Iowa	66-2/3	300 weeks	$18.00, or actual wage if less		
Kansas	60	415 weeks	$7.00	$42.00	$17,430
Kentucky	66-2/3	425 weeks 5/	25% of 85% of the State's average weekly wage.	55% of 85% of the State's average weekly wage. ($44)	$18,700
Louisiana	65	300 weeks	$10.00, or actual wage if less	$35.00	
Maine	66-2/3	Duration of disability	$18.00	2/3 of State's average weekly wage.6/	
Maryland	66-2/3	208 weeks	$18.00, or actual wage if less	$55.00	
Massachusetts	66-2/3	Duration of disability	$20.00, or average wage if less, but not less than $10 if normal working hours are 15 or more.	$58.00, plus $6 for each total dependent. Aggregate shall not exceed the average weekly wage of the employee.	$16,000, plus dependents' allowances.7/
Michigan	66-2/3	Duration of disability	$27.00 to $42.00	$58.00 to $91.00 1/	
Minnesota	66-2/3	350 weeks	$17.50	$45.00	
Mississippi	66-2/3	450 weeks	$10.00	$35.00	$12,500

See footnotes at end of table.

Table 2.--Minimum and Maximum Benefits for Temporary Total Disability--Cont.

State	Maximum percentage of wages	Maximum period	Payments per week		Total maximum stated in law
			Minimum	Maximum	
Missouri	66-2/3	400 weeks	$16.00, or actual wage if less	$52.00	
Montana	1/50-66-2/3	300 weeks	$31.50	$35.00 to $56.00 1/	
Nebraska	66-2/3	300 weeks; 5/ thereafter 45% of wages, maximum $34.00.	$28.00 or actual wage if less, first 300 weeks; thereafter $24.00, or actual wage if less.	$42.00 (see column 3)	
Nevada	1/65-90	433 weeks	No statutory minimum	$52.50 to $72.69 1/	
New Hampshire	66-2/3	312 weeks; thereafter annual extensions at the discretion of the labor commissioner.	$15.00, or average wage if less	$50.00	
New Jersey	66-2/3	300 weeks	$15.00	2/3 of State's average weekly wage	
New Mexico	60	500 weeks	$24.00, or actual wage if less	$40.00	$20,000
New York	66-2/3	Duration of disability	$20.00, or actual wage if less	$60.00	
North Carolina	60	400 weeks 8/	$10.00	$37.50	$12,000 8/
North Dakota	80	Duration of disability	$15.00, plus $3 for each dependent child under 18, or those over 18 incapable of self-support.	$50.00 to 65.00 1/	
Ohio	66-2/3	Duration of disability	$25.00, or actual wage if less	$56.00 for the first 12 weeks; thereafter $49.00.	$10,750
Oklahoma	66-2/3	300 weeks; may be extended to 500 weeks.	$15.00, or actual wage if less	$40.00	
Oregon	1/50-75	Duration of disability	$30.00, or 90% of actual wage if less.	$39.23 to $73.85 1/	
Pennsylvania	66-2/3	Duration of disability	$31.50, or 90% of actual wage if less, but in no event less than $21.	$52.50	
Puerto Rico	66-2/3	312 weeks	$8.00	$35.00	
Rhode Island	66-2/3	Duration of disability 9/	$20.00 if worker is receiving benefits under the State Temporary Disability Insurance Act, otherwise $25.00.	$45.00 if worker is receiving benefits under the State Temporary Disability Insurance Act; otherwise $50 to $62. 1/	(9/)
South Carolina	60	500 weeks	$5.00	$50.00	$12,500
South Dakota	55	312 weeks	$22.00, or average wage if less.	$42.00	$14,000
Tennessee	65	Duration of disability	$15.00, or average wage if less, but in no event less than $12.	$38.00	$14,000
Texas	60	401 weeks	$9.00	$35.00	
Utah	60	312 weeks	$25.00 to $39.25, 1/ or actual wage if less.	$42.00 to $60.00 1/	$13,104--$18,720 1/
Vermont	66-2/3	330 weeks 5/	$21.00, plus $2.50 for each dependent child under 21, or average wage if less.	$41.00, plus $2.50 for each dependent child under 21.	

See footnotes at end of table.

Table 2.--Minimum and Maximum Benefits for Temporary Total Disability--Cont.

State	Maximum percentage of wages	Maximum period	Payments per week		Total maximum stated in law
			Minimum	Maximum	
Virginia	60	500 weeks	$14.00	$45.00	$18,000
Washington	------	Duration of disability	Same as maximum	$42.69 to $81.23 1/	
West Virginia	66-2/3	208 weeks	$22.00	$42.00	
Wisconsin	70	Duration of disability	$8.75	$68.00	
Wyoming	66-2/3	Duration of disability	$30.00 to $46.15 1/	$40.38 to $60.00 1/	
United States:					
Federal employees	1/66-2/3-75	Duration of disability	$41.54, or actual wage if less.	$121.15	
Longshoremen	66-2/3	Duration of disability	$18.00, or average wage if less.	$70.00	$24,000

1/ According to number of dependents. In Idaho, Oregon, Washington, and Wyoming, according to marital status and number of dependents. In Illinois, according to number of dependent children under 16, or under 18 when not emancipated but not to exceed average weekly earnings except to the extent of the minimum compensation rates.

2/ The California law provides for 65 percent of 95 percent of actual earnings, or 61-3/4 percent.

3/ Colorado: If periodic disability benefits are payable to the worker under the Federal OASDI, the workmen's compensation weekly benefits shall be reduced (but not below zero) by an amount approximating one-half such Federal benefits for such week. If disability benefits are payable under an employer pension plan, the workmen's compensation benefits shall be reduced in an amount proportional to the employer's percentage of total contributions to the plan. Colorado does not limit total maximum for disability from accidental injury, except that if payable in lump sum, maximum is $15,377; in case of occupational diseases, the maximum is $15,377.

4/ Connecticut: Beginning October 1965, the maximum amounted to $61 a week.

5/ In case total disability begins after a period of partial disability, the period of partial disability shall be deducted from the specified period for temporary total disability.

6/ Maine: Beginning November 30, 1965, the maximum amounted to $57.78.

7/ Massachusetts: Maximum $18,000 for temporary total and permanent partial disability.

8/ North Carolina: The 400 weeks and $12,000 do not apply in cases of permanent total disability resulting from an injury to the brain or spinal cord or from loss of mental capacity caused by an injury to the brain.

9/ Rhode Island: After 1,000 weeks, or after $16,000 has been paid, payments to be made from second-injury fund for period of disability. The allowance of up to $12,000 a week for dependent children is also payable from this fund.

Table 3. -- Minimum and Maximum Benefits for Permanent Total Disability

State	Maximum percentage of wages	Maximum period	Payments per week		Total maximum stated in law
			Minimum	Maximum	
Alabama	1/ 55-65	400 weeks. (For specific types of disability, 550 weeks.)	$15.00, or actual wage if less	$38.00	$15,200
Alaska	65	Duration of disability	$25.00 or actual wage if less	$65.00	
Arizona	65	Life	$30.00 if worker is 21 years of age or older.	$150.00	
Arkansas	65	450 weeks	$10.00	$38.50	$14,500
California	2/ 61-3/4	400 weeks; thereafter 60 percent of average weekly earnings at time of injury, maximum $48.46 for life.	$20.00 per week for 400 weeks, and thereafter life pension of $18.46 per week.	$52.50 per week for 400 weeks, and thereafter life pension of $48.46 per week.	
Colorado	66-2/3	Life 3/	$11.50 3/	$49.00 3/	(3/)
Connecticut	60	Duration of disability	$20.00	55 percent of State's average production wage. ($61 as of Oct. 1965)	
Delaware	66-2/3	Duration of disability	$25.00, or actual wage if less	$50.00	
District of Columbia	66-2/3	Duration of disability	$18.00, or average wage if less	$70.00	
Florida	60	Duration of disability	$ 8.00, or actual wage if less	$42.00	
Georgia	60	400 weeks	$12.00, or actual wage if less	$37.00	$12,500
Hawaii	66-2/3	Duration of disability	$18.00	$112.50	(4/)
Idaho	1/ 51-60	400 weeks; 5/thereafter $15 per week ($18 if dependent wife) plus $4-$15 for children, for duration of disability.	$15.00 ($18.00 if dependent wife) to $33.00. 1/	$32.00 to $52.00 1/(see col. 3)	
Illinois	1/ 65-80+ ($42.5% of 65-80)	Life	$31.50 to $49.00 1/	$56.00 to $68.00 1/	(6/)
Indiana	60	500 weeks; thereafter payments may be made for an indefinite period. 7/	$18.00	$45.00	7/$20,000
Iowa	66-2/3	500 weeks	$18.00	$47.50	$23,750
Kansas	60	415 weeks	$ 7.00	$42.00	$17,430
Kentucky	66-2/3	425 weeks 8/	25% of 85% of the State's average weekly wage. ($20)	55% of 85% of the State's average weekly wage. ($44.00)	$18,700

See footnotes at end of table.

Table 3. -- Minimum and Maximum Benefits for Permanent Total Disability - Continued

State	Maximum percentage of wages	Maximum period	Payments per week		Total maximum stated in law
			Minimum	Maximum	
Louisiana	65	400 weeks	$10.00, or actual wage if less	$35.00	
Maine	66-2/3	Duration of disability	$18.00	2/3 of State's average weekly wage ($57.78 as of 11/30/65)	
Maryland	66-2/3	Duration of disability 9/	$18.00, or average wage if less	$55.00	$30,000
Massachusetts	66-2/3	Duration of disability 9/	$20.00	$58.00, plus $6 for each total dependent. Aggregate shall not exceed the average weekly wage of the employee	
Michigan	66-2/3	Duration of disability 10/	$27.00 to $42.00 1/	$58.00 to $91.00 1/	
Minnesota	66-2/3	Duration of disability	$17.50, or actual wage if less	$45.00	(11/)
Mississippi	66-2/3	450 weeks	$10.00	$35.00	$12,500
Missouri	66-2/3	300 weeks, thereafter 40 percent of wages, maximum $30 for duration of disability.	$16.00	$47.00	
Montana	1/50-66-2/3	500 weeks	$31.50	$35.00 to $56.00 1/	
Nebraska	66-2/3	300 weeks; thereafter 45 percent of wages, maximum $34.00 for duration of disability.	$28.00, or actual wage if less, first 300 weeks; thereafter $24.00, or actual wage if less.	$42.00 (see col. 3)	
Nevada	----	Life	$43.50 to $60.23 1/	$43.50 to $60.23 1/	
New Hampshire	66-2/3	312 weeks; thereafter annual extensions at the discretion of the labor commissioner.	$15.00, or actual wage if less	$50.00	
New Jersey	66-2/3	450 weeks; under certain conditions benefits paid for life.12/	$15.00; after 450 weeks may be $5.00 12/	2/3 of State's average weekly wage.12/	
New Mexico	60	500 weeks	$24.00, or actual wage if less	$40.00	$20,000
New York	66-2/3	Duration of disability	$20.00, or actual wage if less	$60.00	
North Carolina	60	400 weeks; 500 weeks for 2 injuries in same employment. (Payable for life in certain circumstances. 13/)	$10.00	$37.50	13/$12,000

See footnotes at end of table.

Table 3. -- Minimum and Maximum Benefits for Permanent Total Disability - Continued

State	Maximum percentage of wages	Maximum period	Payments per week		Total maximum stated in law
			Minimum	Maximum	
North Dakota---	80	Duration of disability----------	$15.00, plus $3 for each dependent child under 18, or those 18 and over incapable of self-support (up to a total of $15).	$50.00 to $65.00 1/-------	
Ohio------	66-2/3	Life----------	$40.25, 14/ or average wage if less.	$49.00----------	
Oklahoma--	66-2/3	500 weeks----------	$15.00, or actual wage if less--	$40.00----------	
Oregon----	---	Duration of disability----------	$35.77 to $70.38 1/----------	$35.77 to $70.38 1/-------	
Pennsylvania----	66-2/3	Duration of disability----------	$31.50, or 90 percent of actual wage if less, but in no event less than $21.	$52.50----------	
Puerto Rico--	66-2/3	Duration of disability----------	$9.23----------	$20.76----------	
Rhode Island ----	66-2/3	Duration of disability 15/-------	$20.00 if worker is receiving benefits under the Temporary Disability Insurance Act. $25 if worker is not receiving benefits under the TDI Act.	$45.00 if worker is receiving benefits under the Temporary Disability Insurance Act. $50.00 to $62.00 1/ if worker is not receiving benefits under the TDI Act.	(15/)
South Carolina--	60	500 weeks----------	$5.00----------	$50.00----------	$12,500
South Dakota----	55	300 weeks; thereafter 30 percent of earnings, maximum $15 for life.	$22.00, first 300 weeks; $12 thereafter.	$42.00 (see col. 3)-------	$14,000
Tennessee--	65	550 weeks----------	$15.00, or average wage if less, but in no event less than $12.	$38.00----------	$14,000
Texas------	60	401 weeks----------	$9.00----------	$35.00----------	
Utah--------	60	260 weeks; thereafter 45 percent of weekly wages during disability, maximum $42.00. 16/	$25.00 to $39.25 1/----------	$42.00 to $60.00 1/-------	(16/)
Vermont----	66-2/3	330 weeks 5/----------	$21, plus $2.50 for each dependent child under 21, or average wage if less.	$41.00, plus $2.50 for each dependent child under 21.	$13,530
Virginia---	60	500 weeks----------	$14.00----------	$45.00----------	$18,000
Washington---	-----	Duration of disability----------	$42.69 to $81.23 1/----------	$42.69 to 81.23 1/--------	
West Virginia	66-2/3	Life----------	$22.00----------	$42.00----------	

See footnotes at end of table.

Table 3. -- Minimum and Maximum Benefits for Permanent Total Disability - Continued

State	Maximum percentage of wages	Maximum period	Payments per week		Total maximum stated in law
			Minimum	Maximum	
Wisconsin---	70	Life----------	$14.00----------	$68.00----------	
Wyoming-----	------	----------	$28.85 to $34.62, 1/plus $6.92 for each dependent child under 18, or each child under 21 incapable of self-support because of mental or physical incapacity 17/	$28.85 to $34.62, 1/plus $6.92 for each dependent child under 18, or each child under 21 incapable of self-support because of mental or physical incapacity.17/	17/$17,500-- $27,500
United States: Federal employees--	1/66-2/3-75	Life----------	$41.54, or actual wage if less—	$121.15----------	
Longshoremen-------	66-2/3	Duration of disability----------	$18.00, or average wage if less-	$70.00----------	

1/ According to number of dependents. In Idaho, Oregon, Washington, and Wyoming, according to marital status and number of dependents. Under the Federal Employees' Compensation Act, the 75 percent of wages is contingent upon the existence of a statutory dependent.

2/ The California law provides for 65 percent of 95 percent of actual earnings, or 61-3/4 percent.

3/ Colorado: If periodic disability benefits are payable to the worker under the Federal OASDI, the workmen's compensation weekly benefits shall be reduced (but not below zero) by an amount approximating one-half such Federal benefits of such week. If disability benefits are payable under an employer pension plan, the workmen's compensation benefits shall be reduced in an amount proportional to the employer's percentage of total contributions to the plan.

Colorado does not limit total maximum for disability from accidental injury, but sets a maximum of $15,377 in case of occupational diseases.

4/ Hawaii: After $25,000 has been paid, compensation at the same rate is paid from a special fund for life.

5/ In case total disability begins after a period of partial disability, the period of partial disability shall be deducted from the weeks specified.

6/ Illinois: After $15,000 to $21,000, depending upon number of dependents, has been paid, a pension for life is provided.

7/ Indiana: After $20,000 and 500 weeks, further payments of compensation may be paid for an indefinite period from a special fund.

8/ Kentucky: If period of total disability begins after a period of partial disability, the period of partial disability shall be deducted from the 425 weeks.

9/ Law expressly provides that such payments are in addition to payments for temporary total disability.

10/ Michigan: Law states that the conclusive presumption of total and permanent disability in certain cases shall not extend beyond 800 weeks, but after that time the question of permanent total disability is determined in each case in accordance with the facts.

11/ Minnesota: After $18,000 paid, OASDI benefits credited against workmen's compensation benefits.

Table 3. -- footnotes (continued)

12/ New Jersey: After 450 weeks, if worker has accepted such rehabilitation as may have been ordered by the Rehabilitation Commission, further benefits may be paid during disability, amounting to his previous weekly compensation payment diminished proportionately as the wages he is then able to earn bear to the wages received at the time of the accident. If his wages equal or exceed such former wages, his benefit rate shall be reduced to $5 a week.

13/ North Carolina: In cases in which total and permanent disability results from paralysis resulting from an injury to the brain or spinal cord or from loss of mental capacity resulting from an injury to the brain, compensation shall be paid during the life of the injured employee, without regard to the 400 weeks or to the $12,000 maximum.

14/ Ohio: For persons previously awarded permanent total disability benefits, supplemental payments may be made from the Disabled Workmen's Relief Fund to bring payment up to $40.25.

15/ Rhode Island: After 1,000 weeks, or after payment of $16,000 for total disability, payments to be made for duration of total incapacity or for life from second-injury fund.

16/ Utah: After payment of $18,720 by the employer or carrier, a worker who has cooperated with the Division of Vocational Rehabilitation but who cannot be rehabilitated receives from the combined injury fund 45 percent of wages, for period of disability, weekly maximum $42.

17/ Wyoming: As to the allowance for the children, the law states: ". . . there shall be credited to the account of each of such children . . . a lump sum equivalent to $30 per month /$6.92 per week/ until the time when each of said children would become 18 years of age; provided that the lump sum credited to the account of all said children shall in no case exceed $10,000." The total maximum of $27,500 shown on the table includes the $10,000.

Table 4.--Minimum and Maximum Benefits for Permanent Partial Disability*

State	Maximum percentage of wages or wage loss[1]	Maximum period for nonschedule injuries	Payments per week[2]		Total maximum stated in law[2]
			Minimum	Maximum	
Alabama	[3] 55-65	300 weeks	$15.00, or actual wage if less (schedule). No statutory minimum for nonschedule.	$38.00	
Alaska	65	During disability	$25.00	$100.00	$20,000 (schedule) $17,000 (nonschedule)
Arizona	55	During disability[4]	$25.38 if worker is 21 years of age or older.	$126.92	
Arkansas	65	450 weeks	$10.00	$38.50	$14,500
California	[5] 61-3/4	399 weeks[6][7]	$20.00	$52.50	
Colorado	66-2/3	During disability [6][8]	$11.50[8]	$49.00[8]	[8] $12,740 (nonschedule)
Connecticut	60	780 weeks[6]	$20.00 (schedule). No statutory minimum for nonschedule.	55 percent of State's average production wage ($61 as of October 1965).	
Delaware	66-2/3	300 weeks[6]	$25.00, or actual wage if less.	$50.00	
District of Columbia	66-2/3	During disability[6]	$18.00, or average wage if less (schedule). No statutory minimum for nonschedule.	$70.00	$24,000
Florida	60	350 weeks[6]	$8.00, or actual wage if less	$42.00	
Georgia	60	350 weeks[4]	$12.00, or actual wage if less (schedule). No statutory minimum for nonschedule.	$30.00	$9,000 (nonschedule)
Hawaii	66-2/3	During disability[6]	$35.00	$112.50	$35,100 (schedule) $25,000 (nonschedule)
Idaho	60	In proportion to schedule injuries[6]	$15.00, or average wage if less.	$30.00	
Illinois	[3] 65-80	417.43 weeks (8 years)[6]	$31.50 to $49.00[3] (schedule). No statutory minimum for nonschedule.	$56.00 to $68.00[3]	[3] $15,000-$21,000
Indiana	60	500 weeks[6]	$18.00	$45.00	$20,000
Iowa	66-2/3	In proportion to permanent total disability, for which the maximum is 500 weeks.[6]	$18.00, or actual wage if less.	$47.50	$23,750
Kansas	60	415 weeks	No statutory mininum	$42.00	$17,430
Kentucky	66-2/3	400 weeks[9]	25 percent of 85 percent of the State's average weekly wage. ($20.00)	50 percent of 85 percent of the State's average weekly wage. ($40.00)	$16,000
Louisiana	65	300 weeks	$10.00, or actual wage if less.	$35.00	

See footnotes at end of table.

Table 4.--Minimum and Maximum Benefits for Permanent Partial Disability*- Continued

State	Maximum percentage of wages or wage loss1/	Maximum period for nonschedule injuries	Payments per week2/		Total maximum stated in law2/
			Minimum	Maximum	
Maine----------	66-2/3	300 weeks----------	No statutory minimum----------	2/3 of State's average weekly wage ($57.78 as of 11/30/65).	
Maryland-------	66-2/3	During disability6/-----	$15.00, or actual wage if less.	$25.00 10/----------	10/$12,500
Massachusetts--	100	During disability-------	No statutory minimum----------	$58.00, plus $6 for each dependent (aggregate shall not exceed the average weekly wage of the employee). $20.00 in addition to all other benefits for schedule injuries.	11/$18,000
Michigan-------	66-2/3	During disability-------	No statutory minimum----------	$58.00 to $91.00 3/---	
Minnesota------	66-2/3	350 weeks----------	$17.50 (schedule). No statutory minimum for nonschedule.	$45.00----------	
Mississippi----	66-2/3	450 weeks6/----------	$10.00 (schedule)----------	$35.00----------	
Missouri-------	66-2/3	400 weeks6/----------	$16.00----------	$47.00----------	
Montana--------	3/50-66-2/3	500 weeks----------	$31.50 (schedule). No statutory minimum for nonschedule.	$35.00 to $56.00 3/---	
Nebraska-------	66-2/3	300 weeks4/----------	$28.00, or actual wage if less (schedule). No statutory minimum for nonschedule.	$42.00----------	
Nevada---------	50	429 weeks6/----------	$13.85----------	$27.69----------	
New Hampshire--	66-2/3	341 weeks4/----------	$20.00, or average wage if less.	$48.50 (schedule)---- $50.00 (nonschedule)-	
New Jersey-----	(12/)	550 weeks6/----------	$10.00----------	$40.00----------	
New Mexico-----	60 (schedule). Percentage as determined by the court (nonschedule).	500 weeks4/----------	No statutory minimum----------	$40.00 (schedule)----	$20,000
New York-------	66-2/3	During disability-------	$20.00, or actual wage if less.	$60.00----------	
North Carolina-	60	300 weeks----------	$10.00 (schedule). No statutory minimum for nonschedule.	$37.50----------	$12,000
North Dakota---	----------	450 weeks----------	$31.50----------	$31.50----------	
Ohio----------	66-2/3	(13/)----------	$25.00 (schedule), or full wages if less. No statutory minimum for nonschedule.	$49.00----------	13/$10,000 under "A"
Oklahoma-------	66-2/3	500 weeks----------	$15.00, or actual wage if less.	$37.50----------	

See footnotes at end of table.

Table 4.--Minimum and Maximum Benefits for Permanent Partial Disability*- Continued

State	Maximum percentage of wages or wage loss1/	Maximum period for nonschedule injuries	Payments per week2/		Total maximum stated in laws2/
			Minimum	Maximum	
Oregon---------	3/50-75	In proportion to schedule injuries.6/	$30.00, or 90 percent of actual wages if less.	$39.23 to $73.85 3/14/	$10,560 (nonschedule)
Pennsylvania---	66-2/3	350 weeks6/----------	$31.50, or 90 percent of wages if less, but not less than $21.00 (schedule). No statutory minimum for nonschedule.	$52.50 (schedule)---- $42.00 (nonschedule)-	
Puerto Rico----	66-2/3	450 weeks6/----------	$8.00----------	$35.00----------	$6,000
Rhode Island---	50 (schedule) 60 (nonschedule)	800 weeks----------	$16.00 (schedule). No statutory minimum for nonschedule.	$30.00 (schedule)---- $22.00 (nonschedule)15/----------	
South Carolina-	60	300 weeks6/----------	$5.00 (schedule). No statutory minimum for nonschedule.	$50.00----------	$12,500
South Dakota---	55 (schedule) 50 (nonschedule)	312 weeks6/----------	$22.00, or average wage if less (schedule). No statutory minimum for nonschedule.	$42.00----------	$14,000
Tennessee------	65	400 weeks6/----------	$15.00, or average wage if less, but in no event less than $12.	$38.00----------	$14,000
Texas----------	60	300 weeks6/----------	No statutory minimum----------	$35.00----------	
Utah----------	60	312 weeks4/----------	No statutory minimum----------	$42.00 to $60.00 3/---	16/ $12,000
Vermont--------	66-2/3 (schedule) 50 (nonschedule)	330 weeks17/----------	$21.00, or average wage if less (schedule). No statutory minimum for nonschedule.	$41.00 (schedule)---- $21.00 (nonschedule)-	$13,530 (schedule)
Virginia-------	60	300 weeks4/----------	$14.00 (schedule). No statutory minimum for nonschedule.	$45.00----------	
Washington-----	----------	(18/)	No statutory minimum----------	(18/)	$15,000 (schedule) $12,750 (nonschedule)
West Virginia--	66-2/3	336 weeks4/19/----------	$22.00----------	$42.00----------	
Wisconsin------	70	1,000 weeks6/----------	$14.00----------	$46.00----------	
Wyoming--------	----------	In proportion to schedule injuries.6/	$30.00 to $46.15 according to number of dependents.	$30.00 to $46.15 according to number of dependents.	
United States: Federal employees.	3/66-2/3-75	During disability6/-----	$41.54, or actual wage if less (schedule). No statutory minimum for nonschedule.	$121.15----------	
Longshoremen	66-2/3	During disability6/-----	$18.00, or average wage if less (schedule). No statutory minimum for nonschedule.	$70.00----------	$24,000

*In some States the benefits listed do not apply if the disability is due either to silicosis or to any occupational disease.

1/ Generally for schedule injuries percentage is figured on average weekly wages, and for nonschedule injuries on the basis of the difference between wages before injury and wages after injury.

Footnotes - Continued

2/ Figure given is the amount paid for both schedule and nonschedule injuries unless otherwise noted.

3/ According to number of dependents. In Illinois, according to number of dependent children under 16, or under 18 when not emancipated. Under the Federal Employees' Compensation Act, the 75 percent of wages is contingent upon the existence of a statutory dependent.

4/ In case the partial disability begins after a period of total disability, the period of total disability shall be deducted from the maximum period set in the law for partial disability.

5/ The California law provides for 65 percent of 95 percent of actual earnings, or 61-3/4 percent.

6/ In addition to compensation for temporary total disability, which is limited in some States to a specific number of weeks.

7/ California: Four weeks of compensation for each 1 percent of permanent disability, and thereafter if disability is 70 percent or more, life pension of 1.5 percent of average weekly earnings for each percent of disability in excess of 60 percent.

8/ Colorado: If periodic disability benefits are payable to the worker under the Federal OASDI, the workmen's compensation weekly benefits shall be reduced (but not below zero) by an amount approximating one-half such Federal benefits for such week. If disability benefits are payable under an employer pension plan, the workmen's compensation benefits shall be reduced in an amount proportional to the employer's percentage of total contributions to the plan.

9/ Kentucky: Where compensation is paid for other types of disability, the period of such payments is deducted from the 400 weeks.

10/ Maryland: For serious cases as defined, the maximum is $40 a week and the $12,500 limit does not apply.

11/ Massachusetts: $18,000 is the maximum for temporary total and permanent partial disability.

12/ New Jersey: Benefits set in accordance with a "wage and compensation schedule." Under this schedule, the 66-2/3 percent level is adhered to rather closely for workers earning wages of $45 a week or less. For workers who earn more, the schedule specifies benefits which are less than 66-2/3 percent. For instance, a worker earning $60 a week is entitled to a compensation benefit of $36, or 60 percent.

13/ Ohio: Employee may elect benefits under one of two plans: "A" under which benefits are 66-2/3 percent of earning capacity impairment; or "B" under which benefits are based on permanent physical impairment. Under "B" benefits are paid for a maximum of 200 weeks if disability is 90 percent or more, and are set at 66-2/3 percent of employee's average weekly wage.

14/ Oregon: Schedule permanent partial injuries are compensated at the rate of $55.00 for each degree of disability, as specified in the law, but maximum weekly payments are limited to those shown in this table.

15/ Rhode Island: If employee cannot obtain suitable work and employer cannot give him such work or show it is available elsewhere, weekly benefits for partial incapacity are paid at the same rate as for total incapacity ($45 maximum).

16/ Utah: The maximum $12,000 applies in cases of accidental injury. In cases of permanent partial disability due to an occupational disease, the maximum benefits are $5,105.

17/ Vermont: In case the partial disability begins after a period of total disability, no deduction for the period of total disability is made unless the combination of both periods exceeds the statutory maximum of 330 weeks. In no case can the combined total of all types of compensation exceed the 330 weeks. (Orvis v. Hutchins, 123 Vt. 18.)

18/ Washington: Payments based on permanent physical impairment; in event award exceeds $1,000, employee has option to receive full lump sum award of $1,000 immediate payment with balance in monthly payments per temporary disability schedule plus 5 percent interest per annum on unpaid balance.

19/ West Virginia: For a disability of 85 to 100 percent, benefits are payable during life.

Table 5.—Number of Weeks for which Compensation is Payable for Certain Schedule Injuries*

[Monetary weekly benefits shown on Table 4.]

State	Loss or loss of use of—													
	Arm (at shoulder)	Hand	Thumb	First finger	Second finger	Third finger	Little finger	Leg	Foot	Great toe	Other toe	Sight of an eye	Hearing, one ear	Hearing, both ears
Alabama 1/--------	222	170	62	43	31	22	16	200	139	32	11	124	53	163
Alaska 2/ 3/------	----------	----------	--------	--------	--------	--------	-------	------	-----	-------	------	---------	--------	----------
Arizona 3/--------	4/ 260 5/ 217	4/ 217 5/ 173	65	39	30	22	17	217	173	30	11	6/ 130 7/ 108	87	260
Arkansas 3/ ------	8/ 200	150	60	35	30	20	15	9/ 175	125	30	10	100	40	150
California 3/10/--	4/ 300 5/ 280	4/ 280 5/ 260	4/ 48 5/ 44	4/ 32 5/ 28	4/ 32 5/ 28	4/ 24 5/ 20	4/ 24 5/ 20	10/320 11/260	140	40	8	6/ 120 7/ 100	60	240
Colorado 3/-------	208	104	12/ 50 13/ 35	12/ 26 13/ 18	12/ 18 13/ 13	12/ 11 13/ 7	12/ 13 13/ 9	14/208 11/139	104	12/ 26 13/ 18	12/ 11 13/ 4	6/ 139 7/ 104	35	139
Connecticut 3/----	4/ 8/ 296 5/ 291	242	87	54	44	31	26	9/ 238	188	42	13	235	52	156
Delaware 3/-------	8/ 250	220	75	50	40	30	20	250	160	40	15	200	75	175
District of Columbia 3/-----	8/ 312	244	75	46	30	25	15	9/ 288	205	38	16	160	52	200
Florida 3/--------	8/ 200	175	60	35	30	20	15	9/ 200	175	30	10	175	40	150
Georgia 3/--------	200	160	60	40	35	30	25	225	135	30	20	125	60	150
Hawaii 3/---------	312	244	75	46	30	25	15	9/288	205	38	16	6/ 160 7/ 140	52	200
Idaho 3/----------	240	200	12/ 70 13/ 40	12/ 40 13/ 35	12/ 40 13/ 30	12/ 30 13/ 20	12/ 20 13/ 15	14/180 11/150	125	12/ 30 13/ 15	12/ 12 13/ 6	6/ 140 7/ 120	35	150
Illinois 3/-------	15/ 300	190	70	40	35	25	20	15/275	155	35	12	6/ 160 7/ 150	50	125

See footnotes at end of table.

Table 5.—Number of Weeks for which Compensation is Payable for Certain Schedule Injuries* --Cont.
[Monetary weekly benefits shown on Table 4.]

State	Loss or loss of use of—													
	Arm (at shoulder)	Hand	Thumb	First finger	Second finger	Third finger	Little finger	Leg	Foot	Great toe	Other toe	Sight of an eye	Hearing, one ear	Hearing, both ears
Indiana 3/ --------	8/ 250	200	60	40	35	30	20	9/ 225	175	60	(16/)	175	75	200
Iowa 3/ 17/ -------	230	175	60	35	30	25	20	9/ 200	150	40	15	125	50	175
Kansas 18/ --------	210	150	60	37	30	20	15	9/ 200	125	30	10	120	30	110
Kentucky 3/ -------	200	150	12/70 13/60	12/55 13/45	12/ 40 13/ 30	12/ 30 13/ 20	12/ 25 13/ 15	200	125	30	10	6/ 120 7/ 100	75	150
Louisiana 1/ ------	200	150	50	30	20	20	20	9/ 175	125	20	10	100	------	---------
Maine 19/----------	8/ 175	150	50	32	28	20	17	9/ 175	150	25	10	20/ 100	50	100
Maryland 3/ -------	8/ 336	261	50	30	25	20	15	9/ 336	233	25	10	267	75	233
Massachusetts 21/--	4/8/ 225 5/8/ 200	4/8/ 175 5/8/ 150	4/63 5/54	4/42 5/36	4/31.5 5/ 27	4/21 5/18	4/17.5 5/ 15	9/ 200	150	37.5	15	6/ 200	150	400
Michigan ----------	8/ 269	215	65	38	33	22	16	9/ 215	162	33	11	162	-------	---------
Minnesota 3/22/ ---	8/ 270	220	65	40	35	25	20	14/ 220 11/ 195	165	35	15	160	55	170
Mississippi 3/ ----	8/ 200	150	60	35	30	20	15	9/ 175	125	30	10	100	40	150
Missouri 3/23/ ----	232	175	60	45	35	35	22	14/ 207 11/ 160	150	40	14	140	44	168
Montana 1/ --------	280	200	12/ 75 13/ 37	12/ 75 13/ 30	12/ 37 13/ 20	12/ 25 13/ 15	12/ 15 13/ 11	14/ 300 11/ 200	180	12/ 37 13/ 18	12/ 16 13/ 8	6/ 165 7/ 140	40	200
Nebraska 3/ -------	8/ 225	175	60	35	30	20	15	9/ 215	150	30	10	125	50	100
Nevada 3/----------	4/ 260 5/ 216	4/ 216 5/ 173	65	39	30	22	17	9/ 216	173	30	11	6/ 216 7/ 173	87	260
New Hampshire 3/ --	8/ 214	175	50	31	26	19	13	9/ 214	151	26	10	126	52	214

See footnotes at end of table.

Table 5.—Number of Weeks for which Compensation is payable for Certain Schedule Injuries*--Cont.
[Monetary weekly benefits shown on Table 4.]

State	Loss or loss of use of—													
	Arm (at shoulder)	Hand	Thumb	First finger	Second finger	Third finger	Little finger	Leg	Foot	Great toe	Other toe	Sight of an eye	Hearing, one ear	Hearing, both ears
New Jersey 3/----	8/ 300	230	75	50	40	30	20	9/275	200	40	15	6/ 225 7/ 200	60	200
New Mexico 3/----	4/ 200 5/ 175	4/ 125 5/ 110	12/ 55 13/ 34	12/ 28 13/ 22	12/ 22 13/ 17	12/ 17 13/ 12	12/ 14 13/ 14	14/200 11/150	115	12/ 35 13/ 17	12/ 14 13/ 10	6/ 130 7/ 120	40	150
New York 24/-----	8/ 312	244	75	46	30	25	15	288	205	38	16	160	60	150
North Carolina 3/--	220	170	65	40	35	22	16	200	144	35	10	120	70	150
North Dakota----	250	4/ 250 5/ 200	4/12/93-3/4 4/13/81-1/4 5/12/ 75 5/13/ 65	4/12/62-1/2 4/13/ 50 5/12/ 50 5/13/ 40	4/12/ 50 4/13/37-1/2 5/12/ 40 5/13/ 30	4/12/37-1/2 4/13/ 25 5/12/ 30 5/13/ 20	4/12/32-1/2 4/13/ 20 5/12/ 26 5/13/ 16	25/234 25/195	150	30	12	150	50	200
Ohio 3/----------	225	175	60	35	30	20	15	200	150	30	10	125	25	125
Oklahoma 1/------	8/ 250	200	60	35	30	20	15	9/ 175	150	30	10	100	100	200
Oregon 26/ ------	---------	-------	----------	----------	----------	----------	---------	------	-----	--------	------	----------	--------	------
Pennsylvania 3/---	8/ 215	175	60	35	30	20	15	9/ 215	150	40	16	150	--------	180
Puerto Rico 3/---	8/ 300	4/ 200 5/ 180	75	40	30	25	15	14/300 11/250	175	30	15	(27)	50	200
Rhode Island 3/ --	8/ 312	244	75	46	30	25	20	9/ 312	205	38	10	160	60	200
South Carolina 1/-	200	150	60	35	30	20	15	175	125	30	10	100	70	150
South Dakota 3/--	8/ 200	150	50	35	30	20	15	9/ 160	125	30	10	150	--------	-------
Tennessee 3/-----	8/ 200	150	60	35	30	20	15	9/ 175	125	30	10	100	--------	150

See footnotes at end of table.

Table 5.—Number of Weeks for which Compensation is payable for Certain Schedule Injuries*--Cont.
[Monetary weekly benefits shown on Table 4]

State	Loss or loss of use of—													
	Arm (at shoulder)	Hand	Thumb	First finger	Second finger	Third finger	Little finger	Leg	Foot	Great toe	Other toe	Sight of an eye	Hearing one ear	Hearing, both ears
Texas 1/	8/ 200	150	12/ 70 13/ 60	12/ 55 13/ 45	12/ 40 13/ 30	12/ 31 13/ 21	12/ 25 13/ 15	9/200	125	30	10	100	28/ 75	150
Utah 3/	200	150	12/ 60 13/ 30	12/ 30 13/ 20	12/ 30 13/ 15	12/ 20 13/ 12	12/ 12 13/ 9	14/180 11/150	125	12/ 30 13/ 15	12/ 12 13/ 6	6/ 120 7/ 100	50	200
Vermont 3/	8/ 215	175	50	32	25	20	12	9/ 215	175	25	10	125	29/ 52	215
Virginia 1/	200	150	60	35	30	20	15	175	125	30	10	100	50	100
Washington 30/	--------	-----	--------	----------	----------	----------	----------	--------	----	----------	------	--------	--------	--------
West Virginia	240	200	80	40	28	20	20	240 31/200	140	40	16	132	60	180
Wisconsin 32/	500	400	12/125 13/100	12/60 13/50	12/ 45 13/ 35	12/ 26 13/ 20	12/ 28 13/ 22	33/500 33/425	250	12/ 83-1/3 13/ 25	(33/)	6/ 275 7/ 250	33/55 33/36	33/ 330 33/ 216
Wyoming 34/	--------	-----	--------	----------	----------	----------	----------	--------	----	----------	------	--------	--------	--------
United States:														
Federal employees 3/	8/ 312	244	75	46	30	25	15	9/ 288	205	38	16	160	52	200
Longshoremen 3/	8/ 312	244	75	46	30	25	15	9/ 288	205	38	16	160	52	200

*Some States include additional injuries in their schedules, such as loss of testicles or skull fracture or bone fractures.

1/ Payments under this schedule are in lieu of all other payments.

2/ Alaska: Law provides for payment of fixed sums for schedule injuries. For instance, for the loss of an arm, $14,500; loss of a leg, $12,900; loss of an eye, $7,200; loss of hearing in one ear, $2,700.

3/ Payments are in addition to payments for temporary total disability during all or part of the healing period.

4/ For major member.

Table 5.--Number of Weeks for which Compensation is Payable for Certain Schedule Injuries*--Footnotes (cont.)
/Monetary weekly benefits shown on Table 4./

5/ For minor member.

6/ By enucleation.

7/ Without enucleation.

8/ Loss at shoulder or elbow. In Minnesota and South Dakota, amputation of arm below elbow considered loss of arm if artificial member cannot be used. In Delaware, the District of Columbia, Illinois, Maine, Mississippi, Tennessee, and under the Federal employees' and longshoremen's acts, loss of arm above the wrist shall be considered as loss of arm.

9/ Loss of leg at hip or knee. In Delaware, the District of Columbia, Maine, Mississippi, and Tennessee, and under the Federal employees' and longshoremen's acts, loss of leg above ankle considered as loss of leg.

10/ California: Ratings are determined as percentage of permanent total disability, and vary due to modification for age and occupation of employee. Figures given are standard ratings, prior to modification for occupation and age. The figures shown for arm, leg, and foot are for cases where reasonably satisfactory use of prosthesis is not possible. Where prostheses can be used, the following figures apply: major arm--280 weeks, minor arm--260 weeks; major hand--240 weeks, minor hand--220 weeks; leg at or above knee, 260 weeks. If number of weeks shown is 280 weeks or more, a life pension is also provided. (See footnote 7, Table 4)

11/ Loss of leg at or above knee if use of artificial limb possible.

12/ Loss of metacarpal bone in case of a thumb or finger, or metatarsal bone in case of a toe.

13/ Loss at proximal joint.

14/ Loss at hip joint, so close as to preclude use of artificial limb.

15/ Illinois: 235 weeks for loss of arm. If amputation is above elbow, 15 additional weeks is allowed. If arm is amputated so close to the shoulder joint that an artificial arm cannot be used, or if arm is disarticulated at the shoulder joint, an additional 65 weeks (a total of 300) is allowed. 200 weeks for loss of leg. If amputation is above knee, 25 additional weeks. If leg is amputated so close to hip joint that an artificial limb cannot be used, or if leg is disarticulated at the hip joint, an additional 75 weeks (a total of 275) is allowed.

16/ Indiana: For loss of second toe, 30 weeks; third toe, 20 weeks; fourth toe, 15 weeks; and fifth toe, 10 weeks.

17/ Iowa: In addition to maximum weeks, the law sets monetary maximums for schedule injuries: loss of arm, $10,925; hand, $8,312.50; thumb, $2,850; first finger, $1,662.50; second finger, $1,425; third finger, $1,187.50; little finger, $950; leg, $9,500; foot, $7,125; great toe, $1,900; other toe, $712.50; sight of an eye, $5,937.50; loss of an eye if other eye already lost, $9,500; hearing, one ear, $2,375; hearing, both ears, $8,312.50.

18/ Kansas: Payments are in lieu of all other benefits, except that in certain cases additional compensation may be allowed during the healing period for not to exceed 10 percent of the schedule period, maximum 15 weeks.

19/ Maine: In addition to payments for temporary total disability, the law provides for a lump sum payment which shall be determined by multiplying the average weekly wage by the period of presumed total incapacity set forth in the schedule.

20/ Maine: Or for diplopia.

21/ Massachusetts: A flat sum of $20 weekly is payable for the specific periods listed. This is in addition to all other benefits. Loss or loss of use of fingers and toes is in proportion to loss of hand or foot, according to a schedule established by the Division of Industrial Accidents.

22/ Minnesota: Weeks of compensation increased by 15 percent if more than one member is permanently disabled.

23/ Missouri: If schedule loss (with the exception of an eye) is 100 percent, either by severance or loss of use, weeks of compensation are increased by 10 percent.

Table 5.--Number of Weeks for Which Compensation is Payable for Certain Schedule Injuries*--Footnotes (cont.)
/Monetary weekly benefits shown on Table 4./

24/ New York: If healing period exceeds the specified time, the protracted period beyond such time is awarded in addition to the schedule loss incurred.

25/ North Dakota: Loss of leg at hip, 234 weeks; at knee, 195 weeks.

26/ Oregon: In addition to payments for temporary total disability, law provides for payment of $55 for each degree of injury. For instance, for loss by separation of one arm at or above elbow joint, 192 degrees or $10,560; loss by separation of one leg above knee, 150 degrees or $8,250. Complete loss of hearing, one ear, $3,300; both ears, $10,560. Complete loss of sight, one eye, $5,500. Partial loss of hearing, or partial loss of sight, one eye, apportioned to above maximums, partial loss of sight, both eyes, to 300 degrees of disability ($16,500).

27/ Puerto Rico: Permanent visual disabilities are to be determined by the manager of the State insurance fund.

28/ Texas: The Industrial Accident Board allows 75 weeks for loss of hearing in one ear.

29/ Vermont: In lieu of all other benefits except medical and hospital benefits.

30/ Washington: Law provides for payment of fixed sums for specified and nonspecified injuries, which are in addition to payments for temporary total disability. For instance, for amputation of one leg at the hip, $15,000; amputation of arm so near the shoulder that an artificial arm cannot be worn, $15,000; major arm at or above elbow, $14,250; loss of one eye by enucleation, $6,000; complete loss of hearing in both ears, $12,000. In cases involving non-amputation of members, award is in proportion to 85 percent of amputation value; in other nonspecified injury cases, awards are in proportion to maximum of $12,750.

31/ West Virginia: Loss of thigh at hip joint, 240 weeks; loss of thigh, 200 weeks.

32/ Wisconsin: In addition to payments for temporary total disability. Periods during which payments are made for schedule injuries are based upon employee who is 50 years of age or less. Where employee is above 50, periods specified reduced by 2-1/2 percent for each year the age of such employee exceeds 50.

33/ Wisconsin: Loss at hip joint, 500 weeks; at knee, 425 weeks. For loss of second toe, 25 weeks, or 8 weeks for loss at proximal joint; other toes, 20 weeks, or 6 weeks for loss at proximal joint. For deafness due to accident or sudden trauma: one ear, 55 weeks; two ears, 330 weeks; for total occupational deafness caused by exposure to noise in employment: one ear, 36 weeks; two ears, 216 weeks.

34/ Wyoming: In addition to payments for temporary total disability, law provides for payment of fixed sums for schedule injuries. For instance, for loss of arm above elbow, $6,800; for the loss of a leg above knee, $5,800; for loss of an eye or at least 90 percent of the sight thereof, $5,000. (No provision for loss of hearing)

Table 6.--Minimum and Maximum Benefits for Widows and Children in Death Cases

State	Maximum percentage of wages		Maximum period	Payments per week		Total maximum stated in law
	Widow only	Widow plus children		Minimum	Maximum	
Alabama	35	65	300 weeks	$15.00, or actual wage if less.	$38.00	
Alaska	35	65	Widowhood;[1] children until 18 or marriage.[2]	$45.00 to $75.00[3]	$100.00[3]	$20,000
Arizona	35	66-2/3	Widowhood; children until 18 or marriage.[2]	$16.15 to $30.77	$80.77 to $153.85[3]	
Arkansas	35	65	450 weeks	$10.00	$38.50	$14,500
California	------	------	250 weeks in cases of total dependency; 292.86 weeks in case of surviving widow and one or more dependent minor children.	$25.00[4]	$70.00[4]	[3]/$17,500-$20,500
Colorado	66-2/3	66-2/3	312 weeks	$11.50	$49.00 to $59.50[3]	$15,337-$18,623.50
Connecticut	60	60	Widowhood; children until 18[2]	$20.00	55% of State's average production wage ($61 as of October 1965).	
Delaware	50	80	400 weeks; thereafter to children until 18.	$15.00	$37.50 to $60.00[3]	
District of Columbia	35	66-2/3	Widowhood; children until 18[2]	$9.45--widow or dependent widower.	$36.75 to $70.00[3]	
Florida	35	60	350 weeks	$8.00, or actual wage if less.	$42.00	
Georgia	51	51	400 weeks	$10.20, or 85 percent of actual wage if less.	$31.45	
Hawaii	50	66-2/3	Widowhood; children until 18[2]	$15.00 or average wage if less--widow or widower.	$84.38 to $112.50[3]	[2]/$35,100
Idaho	45	55	400 weeks; thereafter to children until 18.[2]	$15.00 to $20.00[5]	$25.00 to $40.00[5]	$16,000
Illinois	65+ (42.5% of 65)	80+ (42.5% of 80)	Widowhood; [6]/children until 18[2]	$32.50 to $49.00[3]	$58.00 to $68.00[3][6]	[3]/$15,000-$21,000
Indiana	60	60	450 weeks	$18.00, or average wage if less.	$45.00	$20,000
Iowa	66-2/3	66-2/3	300 weeks	$18.00, or actual wage if less.	$47.50	$14,250
Kansas	------	------	Widowhood; children until 18[2]	No statutory minimum in the case of partial dependents; no weekly minimum for total dependents but a minimum total of $2,500.	$42.00	$15,000
Kentucky	66-2/3	66-2/3	400 weeks[7]	25% of 85% of the State's average weekly wage. ($20)	50% of 85% of the State's average weekly wage. ($40)	$16,000

See footnotes at end of table.

Table 6.--Minimum and Maximum Benefits for Widows and Children in Death Cases--Cont.

State	Maximum percentage of wages		Maximum period	Payments per week		Total maximum stated in law
	Widow only	Widow plus children		Minimum	Maximum	
Louisiana	32-1/2	65	400 weeks	$10.00, or actual wage if less.	$35.00	
Maine	66-2/3	66-2/3	Widowhood; children until 18[2]	$18.00	2/3 of State's average weekly wage ($57.78 as of 11/30/65).	
Maryland	66-2/3	66-2/3	500 weeks	$18.00, or average wage if less.	$48.00	$15,000
Massachusetts	------	------	400 weeks; thereafter to children until 18.[8]	Same as maximum	$40.00, plus $6 for each child.	[7]/$16,000
Michigan	66-2/3	66-2/3	500 weeks; thereafter to children until 21.	$27.00 to $39.00[3]	$58.00 to $84.00[3]	
Minnesota	40	66-2/3	Widowhood; children until 18[2]	$17.50, or actual wage if less.	$45.00	$17,500
Mississippi	35	66-2/3	450 weeks	$10.00[9]	$35.00[9]	$12,500
Missouri	66-2/3	66-2/3	Widowhood; children until 18[2]	$16.00	$52.00	$16,500
Montana	50	66-2/3	500 weeks	$31.50	$35.00 to $56.00[3]	
Nebraska	66-2/3	66-2/3	325 weeks	$28.00, or actual wage if less.	$42.00	
Nevada	50	80	Widowhood; children until 18[2]	No statutory minimum	$27.69, plus $8.31 for each child.	
New Hampshire	66-2/3	66-2/3	341 weeks	$20.00, or average wage if less.	$50.00	$17,050
New Jersey	35	60	Widowhood;[10] children until 18.	$15.00	2/3 of State's average weekly wage.	
New Mexico	40	60	500 weeks	No statutory minimum	$40.00	$20,000
New York	40	66-2/3	Widowhood; children until 18[2]	$12.00 to $20.00[3]	$36.00 to $60.00[3]	
North Carolina	60	60	350 weeks	$10.00	$37.50	$12,000
North Dakota	------	------	Widowhood; children until 18[2]	$25.00, plus $7.00 for each child.[9]	$25.00, plus $7.00 for each child.[9]	
Ohio	66-2/3	66-2/3	----------	$40.25	$49.00	[3]/$15,000-$18,000
Oklahoma	------	------	----------	----------	----------	$13,500
Oregon	------	------	Widowhood; children until 18[2]	$25.38 to $53.08[3]	$25.38 to $53.08[3]	
Pennsylvania	51	66-2/3	500 weeks; thereafter payments to children until 18.	$25.50 to $33.33	$34.00 to $52.50[3]	
Puerto Rico	50	85	Widowhood; dependent children	$9.23[9]	$23.08[9]	
Rhode Island	60	60	500 weeks	$26.00	$30.00, plus $4 for each child.	
South Carolina	60	60	350 weeks	$5.00	$35.00	

See footnotes at end of table.

Table 6.--Minimum and Maximum Benefits for Widows and Children in Death Cases--Cont.

State	Maximum percentage of wages		Maximum period	Payments per week		Total maximum stated in law
	Widow only	Widow plus children		Minimum	Maximum	
South Dakota	------	------	Special sum to widow, plus $15.00 for each child until 18.11/	----------	(See column 3)---------	$12,000-$15,000
Tennessee-------	50	65	Widowhood; children until 18.2/	$15.00, or actual wage if less, but in no event less than $12.	$38.00----------	$14,000
Texas----------	60	60	360 weeks----------	$9.00----------	$35.00----------	
Utah----------	66	60	312 weeks----------	No statutory minimum-----	$42.00 to $60.00 3/	3/$13,104-$18,720
Vermont---------	40	50	330 weeks----------	$21.00----------	$41.00----------	$13,530
Virginia--------	60	60	300 weeks----------	$14.00----------	$45.00----------	$13,500
Washington------	------	------	Widowhood; children until 18	$32.31 to $63.92 3/9/-----	$32.31 to $63.92 3/9/--	
West Virginia---	------	------	Widowhood; children until 18.2/	$17.31, plus $4.62 for each child ($5.75 for invalid child).	$17.31, plus $4.62 for each child ($5.75 for invalid child).	
Wisconsin-------	50	(12/)	400 weeks----------	$10.00----------	$48.58 12/----------	12/$19,430
Wyoming---------	------	------	Widowhood; children until 18.2/	$30.00----------	$30.00 to $46.15, 3/ plus $6.92 for each child.	3/$13,000-$23,000
United States:						
Federal employees------	45	75	Widowhood; children until 18.2/	$24.92----------	$121.15----------	
Longshoremen---	35	66-2/3	Widowhood; children until 18.2/	$9.45----------	$36.75 to $70.00 3/-----	

1/ The term "widownood" is used to mean the period until the death or remarriage of the widow. (In some cases, the same benefits are paid to a dependent or invalid widower.)

2/ May be continued beyond age 18 if physically or mentally incapacitated or incapable of self-support. In New York, payments may be continued beyond 18 if dependent child is totally blind or physically disabled and whose disablement is total and permanent. In Hawaii, the dollar maximum does not apply to children under 18; nor to unmarried children over 18 if they are incapable of self-support; nor to an unremarried widow who is physically or mentally incapable of self-support.

3/ According to number of dependents.

4/ In actual practice under its discretionary power, the Workmen's Compensation Appeals Board orders death benefits paid at the maximum weekly rate ($70.00).

5/ Idaho: $20 and $30 if dependent widow only; $20 and $40 if dependent widow with children; $15 and $25 if no dependent widow.

6/ Illinois: Under certain circumstances, upon remarriage of childless widow remaining compensation payments shall be reduced by 50 percent. Benefits not to exceed the average weekly earnings except to the extent of the minimum compensation rates.

7/ Kentucky: Disability payments already made to be deducted from death benefits payable.

8/ Massachusetts: Benefits continue to children until 18 or over 18 if incapacitated, and to widows during periods they are not fully self-supporting.

Table 6.--Minimum and Maximum Benefits for Widows and Children in Death Cases--Footnotes (cont.)

9/ In addition, lump sum payment at death of worker: In Mississippi, $100 to widows; in North Dakota, $300 to widow and $100 for each dependent child up to a maximum of $600; in Washington, $600; in Puerto Rico, $500 to widow and $50 for each dependent child up to a maximum of $1,100.

10/ New Jersey: Any earnings from employment by the widow after 450 weeks of compensation have been paid shall be deducted from the compensation thereafter payable to her.

11/ South Dakota: Death benefits to the widow are set at a sum equal to five times the annual earnings of the employee, but not less than $5,000 or more than $12,000, plus $15 a month for each child until he is 18 years of age, up to aggregate total for widow and children of $15,000. However, one-half of any compensation payments (other than medical) are to be deducted from death benefits.

12/ Wisconsin: Additional benefits payable from Children's Fund to the widow for children under 16 years of age (13 percent of the widow's benefits is the weekly or monthly allowance made for each dependent child), or for children over 16 if mentally or physically incapacitated.

Table 7.--Statutory Provisions In Workmen's Compensation Laws Relating To Rehabilitation Benefits For Injured Workers

Jurisdiction	Maintenance and other benefits
Alaska	Maximum $100 a month for maintenance for permanently disabled persons. Total maximum $5,000 for additional compensation, treatment, instruction, and transportation. (Additional benefits in certain cases.)
Arizona	The Industrial Commission is authorized to provide such additional awards as may be necessary for the promotion of vocational rehabilitation.
Arkansas	Maximum $400 for training and incidental travel expenses for persons disabled from silicosis or asbestosis.
California	In addition to temporary disability benefits, the injured worker undergoing rehabilitation may receive $52.50 weekly for up to 26 weeks as an advance on his permanent disability award.
Connecticut	Maximum $15 a week (in addition to compensation) during rehabilitation.
District of Columbia	Maximum $25 a week for maintenance of permanently disabled persons during vocational rehabilitation as directed by the U. S. Secretary of Labor (in addition to compensation). Secretary of Labor may furnish prosthetic appliances or other apparatus.
Florida	The Industrial Commission is directed to assist permanently disabled workers to obtain appropriate training, education, and employment, and is authorized to cooperate with the proper Federal, State, and other public or private agencies in the vocational rehabilitation of injured workers, and may pay for such services out of administrative funds.
Hawaii	Maximum expenditure of $5,000 for any permanently disabled person for retraining and rehabilitation, including evaluation, instruction, necessary transportation, and maintenance.

No Ga.

Table 7.--Statutory Provisions In Workmen's Compensation Laws
Relating To Rehabilitation Benefits For Injured Workers (continued)

Jurisdiction	Maintenance and other benefits
Maine	Maximum $20 a week in addition to compensation, for sustenance and travel, as determined by the Industrial Accident Commission. Total maximum of $2,000 for sustenance, travel, and rehabilitation for the first 52 weeks, and up to $500 additional if rehabilitation is extended for a second 52 weeks.
Maryland	No benefits specifically mentioned, but a rehabilitation counsellor within the Workmen's Compensation Commission refers proper cases to the Division of Vocational Rehabilitation.
Massachusetts	Needed rehabilitation services including travel, and room and board when necessary, training, guidance and placement services (in addition to compensation).
Michigan	Prompt rehabilitation services, including vocational rehabilitation up to 52 weeks if necessary. (Workmen's Compensation Department may extend this up to an additional 52 weeks.) Department may order additional payments to workers for transportation or any other expense during rehabilitation.
Minnesota	66-2/3 percent of wages, maximum $45 a week, for not more than 52 weeks (in addition to compensation).
Mississippi	Maximum $10 a week, for not more than 52 weeks, for maintenance (in addition to compensation).
Missouri	Maximum $10 a week to injured employees while receiving rehabilitation. Period limited to 20 weeks except that the Board of Rehabilitation may, in unusual cases, extend the period for not more than an additional 20 weeks. Board may order employer to pay for transportation to rehabilitation facility.
Montana	Maximum $30 a week for maintenance while receiving training. Also travel expenses and expenses for books and equipment while in training.

Table 7.--Statutory Provisions In Workmen's Compensation Laws
Relating To Rehabilitation Benefits For Injured Workers (continued)

Jurisdiction	Maintenance and other benefits
New Jersey	No rehabilitation benefits specifically mentioned, but the law specifies that after 450 weeks of receiving permanent total benefits such compensation shall cease unless the employee shall have submitted to such rehabilitation as may have been ordered by the Rehabilitation Commission.
New York	Maximum $30 a week for maintenance for totally or partially disabled workers. Also additional compensation necessary for rehabilitation.
North Dakota	Maximum $25 a week for 72 weeks payable to dependents during period of rehabilitation.
Ohio	Maximum $40.25 a week for 52 weeks for maintenance. Industrial Commission may also pay cost of artificial appliances. State Rehabilitation Center (Ohio State University) authorized to restore, train, and reeducate, and place in productive employment physically handicapped workers.
Oregon	Rehabilitation center to make available to injured workers modern techniques for rehabilitation. Industrial Accident Commission authorized to expend such funds as may be necessary to accomplish rehabilitation.
Pennsylvania	The State Board of Vocational Rehabilitation may make money payments necessary to meet living requirements for individuals and their families during the period of rehabilitation and training, and for an additional 60 day trial period of employment if the disabled individual is cooperative and demonstrates satisfactory progress.
Puerto Rico	Rehabilitation center established to make available to injured workers the best in physical medicine and rehabilitation services.
Rhode Island	Curative center established to make available to injured workers "all possible modern curative treatment and methods."
Texas	Medical services to include treatments necessary for physical rehabilitation, including training in prosthetic devices.

No Tenn.

Table 7.--Statutory Provisions In Workmen's Compensation Laws
Relating To Rehabilitation Benefits For Injured Workers (continued)

Jurisdiction	Maintenance and other benefits
Utah	Maximum $830 for use in rehabilitation and training for certain permanent disabilities. Employees permanently and totally disabled (either from an accident or an occupational disease) who cooperate but cannot be rehabilitated, are eligible for benefits up to $42 a week for life after the maximum benefits otherwise payable are completed.
Washington	Rehabilitation center established to make available to injured workers the best in physical medicine and rehabilitation services.
West Virginia	Maximum $1,200 for each permanently disabled worker, plus temporary total payments for vocational training, including the use of crutches, artificial limbs, or other appliances or medical treatment as necessary. Each case to be authorized by the Commissioner.
Wisconsin	Actual and necessary maintenance and travel costs during maximum of 40 weeks of rehabilitation, if training provided elsewhere than at place of residence; employer shall supply training in use of artificial members or appliances (in addition to full compensation during training period, including rehabilitation period).
United States: Federal employees	Maximum $100 a month for maintenance. Also cost of rehabilitation services (in addition to compensation).
United States: Longshoremen and Harbor Workers	Maximum $25 a week for maintenance (in addition to compensation). Secretary of Labor may furnish prosthetic appliances or other apparatus.

GPO 911-473

FACT SHEETS ON STATE LABOR LAWS
(Revised periodically)

No. 1	Brief Outline of Labor Law Development in the United States
No. 2	Status of Agricultural Workers Under State and Federal Labor Laws
No. 3-A	Brief Summary of State Child Labor Laws
No. 3-B	Questions and Answers on Child Labor Laws
No. 3-C	Brief Summary of State Compulsory School Attendance Laws
No. 4-A	Brief Summary of State Minimum Wage Laws
No. 4-B	Brief Summary of State Wage Payment and Wage Collection Laws
No. 4-C	Brief Summary of State Prevailing Wage Laws
No. 4-D	Brief Summary of State Provisions Exempting Wages from Garnishment
No. 4-E	Brief Summary of State Laws Prohibiting or Regulating the Business of Debt Pooling
No. 4-F	Debt Pooling and Garnishment in Relation to Consumer Indebtedness
No. 5	Brief Summary of State Laws Regulating Private Employment Agencies
No. 6-A	Brief Summary of State Fair Employment Practice Acts
No. 6-B	Brief Summary of State Laws Prohibiting Discrimination in Employment Based on Age
No. 6-C	Age Discrimination Prohibited Under State Laws--A Table
No. 7-A	Brief Summary of State Labor Relations Acts
No. 7-B	Brief Summary of State Mediation Laws
No. 7-C	Brief Summary of State Union Regulatory Provisions
No. 8	Brief Summary of State Laws Regulating Industrial Homework
No. 9-A	Brief Summary of State Occupational Safety and Health Legislation
No. 9-B	Brief Summary of State Laws and Regulations for the Control of Radiation Hazards
No. 10	Brief Summary of State Workmen's Compensation Laws

INDUSTRIAL COMMISSION
OF
WISCONSIN

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E. E. ESTKOWSKI — *Commissioner*
RALPH E. GINTZ, *Director of Workmen's Compensation*

WORKMEN'S COMPENSATION

Thirty-Third Report
July 1, 1964, to June 30, 1966

good cases in back

FOREWORD

Progress

During this biennium the workmen's compensation department continued studying methods to improve the efficiency of its work and adopted procedures which already have proven to be effective.

A program of pretrial conferences is started. Regular calendars are arranged in Milwaukee and Madison to handle those cases where settlement seemed likely, where compensation or medical treatment may be resumed, or where the examiner views disability or disfigurement. The acceptance of the program by the parties and their attorneys is encouraging. Many of these cases never reach the formal hearing calendar. The reduction of the backlog of pending applications for hearings from 1360 to 1076 during the biennium is in a large measure due to this program.

The nature of service rendered to the public is improved due to a new filing system related to a data processing system. Correspondence now receives more prompt attention. A training program for the professional staff is resulting in improved performance.

After many years of effort the system of processing the claims of state employes is now improved to provide for direct vouchering for payment in about 80% of the claims. These involve medical payments only of less than $50.

During the past two years over 66,000 injuries were reported and over 38 million dollars was paid out for disability and medical

treatment. The maximum rate for temporary disability was increased from $64 to $66 in 1965 while the maximum rate for permanent disability increased from $44.50 to $46.

General

Wisconsin was the FIRST STATE in the United States to put a workmen's compensation act into effect. The law was approved and became effective on May 3, 1911.

The constitutionality of the act was upheld in a decision of the Wisconsin Supreme Court on November 1, 1911. Chief Justice C. J. Winslow wrote the opinion, in which he said, "To speak of the common law personal injury action as a remedy to the problem is to jest with a serious subject, to give a stone to the one who asks for bread."

Industry now had the responsibility of providing treatment and partially compensating employes for lost wages, regardless of a fault on the part of the employer or negligence on the part of an employe. This is recognized as a part of the cost of production. Contributory negligence of the employe, assumption of risk and negligence of a fellow servant were no longer defenses.

The law covered only accidental injuries until 1919, when occupational diseases were included. Coverage continued to be voluntary or elective until 1931, when it became compulsory for employers who usually employed three or more employes (except farmers). In that same year the waiting period was reduced from seven to three days. Effective January 1, 1962, farmers having six or more employes on any twenty different days of a calendar year become subject and must obtain workmen's compensation insurance.

Compensation Insurance

It is the commission's duty to ascertain that employers subject to the compensation act insure their risks, unless they are permitted to self-insure.

This duty is one which involves considerable difficulty and detail. The work is facilitated by the filing of reports upon all policies issued by the insurance carriers. This makes it possible to see that employers who have taken out a policy either renew it at expiration, insure with some other company, or satisfy the commission that for good reason insurance is no longer required. This function involves a great deal of detail since there are about 65,000 em-

ployers in Wisconsin who carry insurance. There are many employers subject to the act who are violating the law by failing to insure. Without special personnel for this task no substantial progress can be made in reducing the number of violations. The commission believes that to provide good service, both to employers and employes, several persons should be assigned for this purpose. Many employers are innocently unaware of the fact that they are subject to the compensation act. Others, through inadvertence, or by willful intention, have failed to provide insurance. Many employers are unable to assume the cost of compensation benefits, which in a single case may amount to many thousands of dollars.

Processing Injury Cases

Most injury cases are not disputed and are processed by the filing of reports and by correspondence. This does require detailed examination by personnel expertly trained to analyze the law and compute benefits due in different types of cases.

Where valid dispute exists the parties may compromise their differences and submit proposed settlement to the commission. They are required to submit supporting statement and further investigation may be made by the commission to make certain that a valid dispute exists which does warrant a compromise. If the commission concludes that full liability should be assumed the compromise is rejected and formal hearing will be scheduled if the employer or insurance carrier does not accept full liability.

The law provides that where dispute cannot otherwise be adjusted, formal hearing may be held upon application by either party. Hearings are conducted at county seats and at other points throughout the state. This avoids expense of parties in appearing and producing witnesses at Madison. Hearings are conducted by law-trained examiners who hear and decide cases in the same manner as does a judge. These examiners have broad powers of independent investigation and are not bound solely by testimony presented at hearing. Their duty is to obtain all essential facts, make all necessary investigation, and to apply pertinent law in reaching their decision. A stenographic record is made of all testimony taken. While proceedings are more informal than in courts of law, orderly procedure is maintained, and records are

made upon which there may be appeal to the commission and to the courts.

Examiners make the primary decision, which becomes final unless there is petition for review to the commission as a body within 20 days from the date of the examiner's order. This results in speed of hearing and decision. Uniformity is achieved by the provision for review by the commission as a body. These reviews are based upon the record made and upon such further investigation, hearing, oral argument or briefs as may be found desirable in individual cases. Usually the review is upon the record made at the time of hearing. It is intended that no further hearing shall be had except as diligence can be shown or as undue hardship might result. The commission has full power to take any and all steps necessary to safeguard the interests of parties.

Tables

Table 1 set forth in the pages following shows the action taken by the commission on 10,497 petitions for review between October 1, 1933, and June 30, 1966. Table 3 shows the cases settled and does not include compromise adjustments. Cases in which disability does not extend beyond 3 days are not reported to the commission, so that medical benefits for such cases are not included.

TABLE I

COMMISSION ACTION ON PETITIONS FOR REVIEW DURING THE PERIOD OCTOBER 1, 1933, THROUGH JUNE 30, 1966

Action	*Number*	*Percentage*
Total	10,497	100.
Affirmed	8,625	82.1
Reversed	1,016	9.6
Further proceedings	382	3.5
Modified	411	3.8
Settled	40	.3
Withdrawn	18	.2
Remanded	5	.1

TABLE 2

Maximum and Minimum Weekly Indemnity Rates For Injuries of Each Specified Kind of Disability, 1911 — 1965[1]

Effective Date of Statutory Changes	Percentage of Average Weekly Earnings Payable For				Maximum and Minimum Average Weekly Earnings For				Maximum and Minimum Average Weekly Indemnity For			
	Death	P.T.D.	P.P.D.	Temp. D.	Death	P.T.D.	P.P.D.	Temp. D.	Death Benefit[4]	P.T.D.	P.P.D.	Temp. D.
					MAXIMUM							
9- 1-11	100	65	65	65	$14.42	$14.42	$14.42	$14.42	$14.42	$ 9.37	$ 9.37	$ 9.37
9- 1-13	65	65	65	65	14.42	14.42	14.42	14.42	9.37	9.37	9.37	9.37
9- 1-17	65	65	65	65	15.00	15.00	15.00	15.00	9.75	9.75	9.75	9.75
9- 1-19	65	65	65	65	22.50	22.50	22.50	22.50	14.63	14.63	14.63	14.63
7- 8-21	65	65	65	65	26.00	26.00	26.00	26.00	16.90	16.90	16.90	16.90
7- 1-23	65	65	65	65	28.00	28.00	28.00	28.00	18.20	18.20	18.20	18.20
4-23-27	65	65	65	65	30.00	30.00	30.00	30.00	19.50	19.50	19.50	19.50
5-14-31	65	70	70	70	30.00	30.00	30.00	30.00	19.50	21.00	21.00	21.00
9-17-35	65	70	70	70	30.00	30.00	30.00	30.00	19.50	21.00	21.00	21.00
5-29-37	50	70	70	70	30.00	30.00	30.00	30.00	15.00	21.00	21.00	21.00
6-10-43	50	70	70	70	30.00	30.00[2]	30.00	35.00	15.00	21.00[3]	21.00	24.50
8-21-45	50	70	70	70	37.00	37.00	37.00	37.00	18.50	25.90	25.90	25.90
8- 6-47	50	70	70	70	40.00	40.00	40.00	40.00	20.00	28.00	28.00	28.00
6- 1-49	50	70	70	70	46.50	46.50	46.50	46.50	23.25	32.55	32.55	32.55
7- 1-51	50	70	70	70	52.86	52.86	52.86	52.86	26.43	37.00	37.00	37.00
7- 1-53	50	70	70	70	60.00	60.00	52.86	60.00	30.00	42.00	37.00	42.00
7- 1-55	50	70	70	70	65.00	65.00	52.86	65.00	32.50	45.50	37.00	45.50
7- 1-57	50	70	70	70	70.00	70.00	52.86	70.00	35.00	49.00	37.00	49.00
8-14-59	50	70	70	70	77.14	77.14	57.14	77.14	38.57	54.00	40.00	54.00
8- 1-61	50	70	70	70	85.72	85.72	61.07	85.72	42.86	60.00	42.75	60.00
10- 1-63	50	70	70	70	91.43	91.43	63.57	91.43	45.75	64.00	44.50	64.00
8- 1-65	50	70	70	70	97.15	97.15	65.72	97.15	48.58	68.00	46.00	68.00

[1]Figures given in this table are subject to various qualifying provisions of the law.

[2]To be taken at $35.00 per week for the first 78 weeks of disability, and at $30.00 per week thereafter.

[3]In conformity with footnote [2] above, this figure is $24.50 per week for the first 78 weeks of disability, and $21.00 per week thereafter.

[4]Represents maximum amount of weekly death benefit payable to spouse.

P.T.D. equals Permanent Total Disability — P.P.D. equals Permanent Partial Disability — Temp. D. equals Temporary Disability.

TABLE 3

Cases Reported, Cases Settled and Benefits Paid Under Workmens' Compensation Act of Wisconsin September 1 — December 31, 1911 and Years 1912 — 1965

Year	Number of Cases Reported	Number of Compensable Cases Settled	Benefits Paid in Compensable Cases Settled					
			Total Benefits Paid		Indemnity Paid		Medical Aid Paid (1)	
			Amount	Ave. Per Case	Amount	Ave. Per Case	Amount	Ave. Per Case
Total Sept. 1, 1911 Thru Dec. 31, 1965	1,394,599	1,161,508	$387,120,120		$283,455,376		$103,664,744	
Sept. 1, 1911 Thru Dec. 31, 1911	441	179	5,364	$ 30	3,184	$ 18	2,180	$ 12
Calendar Year—								
1912	2,574	1,725	165,900	96	115,430	67	50,470	29
1913	6,346	5,092	497,704	98	323,004	63	174,700	34
1914	11,290	11,111	1,037,745	93	788,218	71	249,527	22
1915	12,781	10,941	1,214,661	111	921,149	84	293,512	27
1916	18,769	15,382	1,424,710	93	1,057,433	69	367,277	24
1917	19,697	16,109	1,693,688	105	1,297,049	81	396,639	25
1918	20,337	17,230	1,861,964	108	1,384,237	80	477,727	28
1919	17,207	14,996	2,114,468	141	1,632,804	109	481,664	32
1920	19,937	16,246	2,540,084	156	1,970,513	121	569,571	35
1921	16,350	15,898	2,918,817	184	2,257,255	142	661,562	42
1922	19,049	16,705	3,156,958	189	2,410,529	144	746,429	45
1923	25,950	20,941	3,719,030	178	2,794,998	133	924,032	44
1924	23,855	22,766	4,200,479	185	3,047,147	134	1,153,332	51
1925	25,786	21,137	4,591,184	217	3,490,021	165	1,101,163	52
1926	26,056	22,177	4,847,385	219	3,725,860	168	1,121,525	51
1927	24,909	20,473	4,776,473	233	3,662,406	179	1,114,067	54
1928	26,351	21,818	5,128,447	235	3,885,850	178	1,242,597	57
1929	27,298	22,630	5,743,112	254	4,308,571	190	1,434,541	63

(Continued Next Page)

TABLE 3—Continued

1930	22,700	20,070	5,845,483	291	4,447,141	222	1,398,342	70
1931	21,655	16,943	4,588,173	271	3,486,195	206	1,101,978	65
1932	18,818	16,195	4,073,313	252	3,126,912	193	946,401	58
1933	18,220	14,563	3,568,183	245	2,711,320	186	856,863	59
1934	19,885	17,180	3,493,278	203	2,644,173	154	849,105	49
1935	22,332	18,872	3,601,840	191	2,666,271	141	935,569	50
1936	25,899	20,926	3,754,062	179	2,824,256	135	929,806	44
1937	27,871	25,140	4,961,582	197	3,735,359	149	1,226,223	49
1938	21,418	20,383	4,695,493	230	3,516,612	173	1,178,881	58
1939	22,109	17,742	4,377,368	247	3,322,424	187	1,054,944	59
1940	23,534	19,949	4,474,930	224	3,298,864	165	1,176,066	59
1941	31,341	23,755	4,435,146	187	3,181,526	134	1,253,620	53
1942	34,348	28,746	5,711,796	199	4,187,337	146	1,524,459	53
1943	37,200	30,185	5,942,767	197	4,379,539	145	1,563,228	52
1944	38,145	31,496	6,328,973	201	4,750,916	151	1,578,057	50
1945	36,497	30,473	6,447,931	212	4,850,915	159	1,597,016	52
1946	39,697	31,475	7,368,882	234	5,632,077	179	1,736,805	55
1947	39,583	34,140	7,835,110	229	5,809,081	170	2,026,029	59
1948	37,240	32,154	9,440,845	294	7,101,241	221	2,339,604	73
1949	31,210	26,615	9,355,372	352	6,997,586	263	2,357,786	89
1950	31,835	25,150	9,454,267	376	7,126,369	283	2,327,898	93
1951	33,800	26,538	10,199,968	384	7,675,529	289	2,524,439	95
1952	32,021	27,283	11,699,512	429	8,718,468	320	2,981,044	109
1953	30,221	26,902	12,359,099	459	9,157,144	340	3,201,955	119
1954	26,688	23,727	12,714,798	536	9,427,573	397	3,287,225	139
1955	28,651	23,039	11,972,414	520	8,720,675	379	3,251,739	141
1956	29,862	24,674	13,058,382	529	9,529,928	386	3,528,454	143
1957	27,425	22,852	12,955,923	567	9,375,443	410	3,580,480	157
1958	25,469	22,447	13,651,140	608	9,799,936	437	3,851,204	172
1959	28,785	22,363	13,442,394	601	9,529,668	426	3,912,726	175
1960	28,320	23,973	15,034,933	627	10,522,946	439	4,511,987	188
1961	27,403	23,025	16,272,957	707	11,419,017	496	4,853,940	211
1962	29,477	22,316	15,593,147	699	11,033,196	494	4,559,951	204
1963	30,532	24,772	17,973,011	726	12,457,710	503	5,515,301	223
1964	33,321	24,128	18,127,413	751	12,795,828	530	5,331,585	221
1965	36,104	27,761	20,672,062	745	14,420,543	519	6,251,519	225

(1) The figures in this column cover medical costs in both fee cases and contract cases. The estimated medical cost of contract cases was computed by multiplying the number of contract cases by the average medical cost per case in fee cases.

Benefits shown in Table 3 above do not include payments for funeral expenses, payments to or from the Second Injuries Fund, payments to or from the Children's Additional Death Benefit Fund, payments for maintenance during rehabilitation training periods, the cost of artificial members furnished, nor the amount of medical aid payments where the injury did not cause disability beyond the waiting period of 3 days. Also excluded are the payments in compromised cases, and any additional payments in reopened cases.

TABLE 4

Summary of Total Compensable Workmen's Compensation Cases Settled in Years 1930 — 1965

Year Case Was Settled	Number of Cases Settled					Indemnity Paid	Medical Aid Paid in Cases On A Fee Basis		Cases With No Fee Reported—Contract Medical And Other
	Total	Kind of Disability					Number Of Cases	Amount	
		Death	Permanent Total	Permanent Partial	Temporary				
1930	20,070	231	13	2,264	17,562	$ 4,447,141	18,250	$1,271,543	1,820
1931	16,943	177	9	1,679	15,078	3,486,195	15,777	1,026,141	1,166
1932	16,195	162	10	1,350	14,673	3,126,912	15,176	886,851	1,019
1933	14,563	118	9	1,128	13,308	2,711,320	13,729	807,790	834
1934	17,180	137	13	1,310	15,720	2,644,173	15,975	789,554	1,205
1935	18,872	122	14	1,482	17,254	2,666,271	17,596	872,318	1,276
1936	20,926	169	7	1,456	19,294	2,824,256	19,388	861,473	1,538
1937	25,140	193	12	1,968	22,967	3,735,359	23,142	1,128,761	1,998
1938	20,383	129	8	1,887	18,359	3,516,612	19,194	1,110,109	1,189
1939	17,142	136	19	1,516	16,071	3,322,424	16,738	995,246	1,004
1940	19,949	123	10	1,775	18,041	3,298,864	18,842	1,110,808	1,107
1941	23,755	124	5	1,952	21,674	3,181,526	22,151	1,168,977	1,604
1942	28,746	151	7	2,488	26,100	4,187,337	26,684	1,415,111	2,062
1943	30,185	153	4	2,526	27,502	4,379,539	27,607	1,429,713	2,578
1944	31,496	148	2	2,758	28,588	4,750,916	28,788	1,441,885	2,718
1945	30,473	126	4	2,726	27,617	4,850,915	28,359	1,486,221	2,114
1946	31,475	155	8	2,774	28,538	5,632,077	30,026	1,656,849	1,449
1947	34,140	133	7	2,846	31,154	5,809,081	32,683	1,939,571	1,457
1948	32,154	161	9	3,133	28,851	7,101,241	30,268	2,202,379	1,886
1949	26,615	160	7	2,838	23,610	6,997,586	25,231	2,235,177	1,384
1950	25,150	161	10	2,661	22,318	7,126,369	23,491	2,174,341	1,659
1951	26,538	146	7	2,727	23,658	7,675,529	24,791	2,358,247	1,747
1952	27,283	162	2	3,094	24,025	8,718,468	25,377	2,772,794	1,906
1953	26,902	142	3	3,158	23,599	9,157,144	24,834	2,955,822	2,068
1954	23,727	142	6	3,035	20,544	9,427,573	22,042	3,053,785	1,685
1955	23,039	130	2	2,615	20,292	8,720,675	21,398	3,020,128	1,641
1956	24,674	130	4	2,823	21,717	9,529,928	22,877	3,271,483	1,797
1957	22,852	115	4	2,814	19,919	9,375,443	21,234	3,326,972	1,618
1958	22,447	124	3	2,969	19,351	9,799,936	20,798	3,568,285	1,645
1959	22,363	110	7	2,663	19,583	9,529,668	20,626	3,641,916	1,737
1960	23,973	99	8	2,885	20,981	10,522,946	21,877	4,117,939	2,096
1961	23,025	132	12	3,059	19,822	11,419,017	21,082	4,443,967	1,943
1962	22,316	122	8	2,785	19,401	11,033,196	20,640	4,218,047	1,676
1963	24,772	117	11	3,061	21,583	12,457,710	22,977	5,115,016	1,795
1964	24,128	120	12	2,925	21,071	12,795,828	22,503	4,972,460	1,625
1965	27,761	116	17	3,309	24,319	14,420,543	25,546	5,753,144	2,215

TABLE 5

Percentage of all injury cases in which the First Payment of Indemnity was received by the injured employe within 15 days after commencement of his disability compared with the percentage of all injury cases for which the first report of injury was made to the Industrial Commission within 7 days after the date of injury, 1939-1965.

Year	All Injury Cases		Cases of Insured Employers		Cases of Exempt Employers (1)	
	Percentage of all injury cases reported within 7 days	Percentage of all cases with first payment within 15 days	Percentage of all injury cases reported within 7 days	Percentage of all cases with first payment within 15 days	Percentage of all injury cases reported within 7 days	Percentage of all cases with first payment within 15 days
1939	55.0	80.4	54.9	80.3	55.6	80.6
1940	59.2	84.2	58.9	84.3	60.3	83.6
1941	59.5	82.2	60.5	81.9	54.7	83.2
1942	57.7	83.9	59.3	84.8	50.6	80.6
1943	57.3	81.3	59.6	81.1	48.2	81.9
1944	56.0	79.9	58.4	80.2	45.7	78.9
1945	56.8	82.0	59.2	82.8	44.6	78.3
1946	57.4	84.9	58.5	86.0	50.2	77.6
1947	56.6	85.0	57.9	85.7	48.8	80.5
1948	59.1	86.5	59.8	87.0	55.4	83.7
1949	60.0	89.3	60.7	89.7	56.0	86.4
1950	59.9	88.9	60.0	89.3	59.3	86.4
1951	57.4	87.7	58.1	88.3	52.9	83.7
1952	56.8	87.2	57.2	87.7	53.6	83.8
1953	57.0	88.0	57.8	88.7	52.5	83.6
1954	57.9	88.5	58.8	89.0	51.8	85.1
1955	57.8	89.2	59.2	89.8	48.9	84.4
1956	56.9	88.7	58.6	89.4	45.8	83.8
1957	55.7	87.8	57.5	88.5	45.2	82.8
1958	55.9	88.0	58.2	88.7	42.5	82.8
1959	55.4	88.1	57.7	88.9	41.9	82.6
1960	54.3	87.0	56.6	87.8	40.9	81.0
1961	55.0	87.5	57.8	88.4	38.6	80.1
1962	54.5	86.6	57.7	87.3	35.4	80.7
1963	54.8	86.1	58.0	86.7	33.5	81.3
1964	54.1	85.3	57.3	86.0	33.2	79.4
1965	52.5	84.3	55.2	85.0	32.8	78.1

(1) Reflects combined experience of both public and private exempt employers.

Note: Prior to 1938 our record of promptness of first payment was tabulated from reports by the insurance carriers. This proved unworkable because some carriers reported the date on which the check was made out; others the date on which the check was mailed to the employer with instructions to transmit it to the employe; and still others the date on which the check was actually mailed to the employe.

Under our present method, postcards are sent to the employe, who is asked to report the date on which the check was received. Cases included in our tabulations are those for which our office receives a postcard report from the injured employe.

Comparable figures for 1938 are not available.

TABLE 6

Children's Additional Death Benefit Fund

Number of Open Accounts

Period	Accounts Open At Beginning of Period	New Accounts Added During Period	Accounts Closed During Period		Accounts Open At End of Period
			By Death of Child	By Fully Paid-Up Awards	
Total		5,874	67	4,472	
Year Ended Sept. 30					
1925	(A)	317	5	17	295
1926	295	167	4	29	429
1927	429	182	3	32	576
1928	576	214	4	70	716
1929	716	190	2	84	820
1930	820	242	1	95	966
1931	966	217	1	102	1,080
1932	1,080	153	3	110	1,120
1933	1,120	137	1	122	1,134
1934	1,134	105	—	125	1,114
1935	1,114	126	2	139	1,099
1936	1,099	147	5	119	1,122
1937	1,122	131	3	133	1,117
1938	1,117	159	4	136	1,136
1939	1,136	140	1	139	1,136
1940	1,136	103	1	138	1,100
1941	1,100	101	—	145	1,056
October 1, 1941 to June 30, 1942	1,056	110	2	124	1,040

(Continued Next Page)

TABLE 6—Continued

Year Ended June 30					
1943	1,040	144	2	145	1,037
1944	1,037	148	2	151	1,032
1945	1,032	140	2	107	1,063
1946	1,063	137	2	143	1,055
1947	1,055	107	1	133	1,028
1948	1,028	116	—	108	1,036
1949	1,036	188	—	102	1,122
1950	1,122	148	1	111	1,158
1951	1,158	140	—	94	1,204
1952	1,204	110	2	120	1,192
1953	1,192	181	1	96	1,276
1954	1,276	160	2	103	1,331
1955	1,331	152	1	144	1,338
1956	1,338	122	1	131	1,328
1957	1,328	184	1	151	1,360
1958	1,360	148	1	182	1,325
1959	1,325	132	4	151	1,302
1960	1,302	142	1	155	1,288
1961	1,288	183	1	149	1,321
1962	1,321	151	—	137	1,335
1963	1,335	132(B)	—	145	1,322
1964	1,322	153	1	164	1,310
1965	1,310	112	1	140	1,281
1966	1,281	188	1	140	1,328

(A) No cases were treated as open accounts prior to the year ended September 30, 1925 — pending a test of the constitutionality of the provisions creating the fund and governing its operations.

(B) Includes an account (for incapacitated child) with first terminal payment on 8/1/58. A further order was issued, with payments starting 9/1/62, in accordance with the provisions of sec. 102.49 (1).

TABLE 7

Occupational Disease Cases Settled, 1936 - 1964

Year	Number of Cases				Indemnity Paid	Medical Aid Paid In Cases On A Fee Basis		Cases With No Fee Reported—Contract Medical And Other
	Total	Kind Of Disability						
		Death & Permanent Total[1]	Permanent Partial	Temporary		Number Of Cases	Amount	
1936	690	21(E)	11	658	$159,133	631	$ 21,612	59
1937	753	26(F)	20	707	272,503	701	36,283	52
1938	652	13(E)	18	621	169,724	631	34,594	21
1939	616	13(D)	5	598	155,435	600	27,346	16
1940	674	14(C)	4	656	120,021	650	24,388	24
1941	815	16(C)	4	795	157,316	784	38,650	31
1942	1,171	16(B)	6	1,149	177,964	1,110	42,749	61
1943	1,647	11(A)	13	1,623	150,118	1,538	49,597	109
1944	1,689	10(A)	4	1,675	152,086	1,604	56,692	85
1945	1,557	8(C)	21	1,528	161,934	1,497	53,912	60
1946	1,405	20(C)	12	1,373	277,924	1,359	71,417	46
1947	1,575	15(B)	15	1,545	217,889	1,529	71,480	46
1948	1,384	11(A)	16	1,357	233,202	1,331	76,366	53
1949	1,157	9(C)	11	1,137	217,090	1,116	76,723	41
1950	1,087	14(E)	12	1,061	281,422	1,029	66,418	58
1951	1,229	15(C)	10	1,204	309,147	1,148	73,341	81
1952	1,277	17(B)	14	1,246	344,295	1,191	102,014	86
1953	1,260	7	16	1,237	274,913	1,162	110,159	98
1954	1,165	9(C)	17	1,139	334,564	1,068	115,788	97
1955	1,057	12	19	1,026	308,892	970	107,819	87
1956	1,071	9(C)	15	1,047	374,140	977	104,882	94
1957	845	8(A)	20	817	302,351	750	99,876	95
1958	756	11(A)	30	715	409,495	653	142,592	103
1959	738	12(D)	20	706	387,113	673	125,568	65
1960	758	10(A)	18	730	365,647	663	111,201	95
1961	960	9(H)	159	792	565,097	728	198,278	232
1962	823	8(D)	64	751	401,039	698	151,068	125
1963	1,044	13(G)	40	991	629,419	937	283,991	107
1964	875	16(E)	17	842	549,607	764	144,302	111

[1]Permanent Total Disability Cases; E.G.; (A) — 1 case, (B) — 2 cases, etc.

TABLE 8

Settled Cases With Adjustments of Indemnity Benefits For Violations of Safety Rules, 1926 - 1965

Year Case Was Settled	Total Number of Compensable Injury Cases Settled	Employer Violations and Indemnity Benefits Increased by 15 Percent			Employe Violations and Indemnity Benefits Decreased by 15 Percent	
		No. of Injury Cases	No. of Violations Found	Total-Extra Indemnity Paid	No. of Injury Cases	Total—Reduction In Indemnity Paid
1926	22,177	539	575	$ 47,851.03	12	$ 676.55
1927	20,473	442	467	37,891.48	7	678.93
1928	21,818	445	470	36,534.49	9	196.66
1929	22,630	538	563	39,369.95	8	715.33
1930	20,070	440	472	36,569.45	6	169.14
1931	16,943	246	267	22,416.56	4	195.71
1932	16,195	203	219	17,533.29	2	38.65
1933	14,563	176	186	10,775.55	1	2.54
1934	17,180	257	271	14,938.55	3	42.56
1935	18,872	287	309	13,884.12	2	132.32
1936	20,926	204	218	14,843.00	4	145.98
1937	25,140	347	365	22,783.87	6	1,260.23
1938	20,383	280	304	23,894.96	2	81.29
1939	17,742	238	257	21,667.63	3	213.88
1940	19,949	320	333	16,075.00	3	72.73
1941	23,755	458	480	29,150.62	5	130.42
1942	28,746	569	617	38,126.64	5	247.74
1943	30,185	592	627	34,528.41	2	87.23
1944	31,496	749	828	40,215.20	33	943.83
1945	30,473	719	800	46,719.83	65	6,390.08
1946	31,475	664	734	52,697.37	42	2,856.21
1947	34,140	663	729	53,585.54	36	2,171.60
1948	32,154	650	706	78,446.41	31	6,188.87
1949	26,615	472	528	60,372.10	13	860.84
1950	25,150	517	565	72,438.18	8	3,707.83
1951	26,538	537	585	64,157.94	4	23.44
1952	27,283	608	681	94,509.12	8	2,952.71
1953	26,902	522	583	77,926.36	5	777.32
1954	23,727	469	522	94,816.11	5	505.74
1955	23,039	501	548	99,785.77	2	29.40
1956	24,676	504	591	84,840.49	3	1,979.47
1957	22,852	401	451	83,130.71	2	133.81
1958	22,447	399	472	62,988.50	4	1,076.61
1959	22,363	329	363	66,042.70	3	181.13
1960	23,973	354	404	75,996.18	—	—
1961	23,025	388	441	102,223.20	9	7,974.83
1962	22,316	383	435	70,373.93	2	180.00
1963	24,772	465	525	98,757.72	2	2,395.64
1964	24,218	472	554	99,766.52	—	—
1965	27,761	502	621	122,481.16	3	1,561.80

TABLE 9

Violations of the Child Labor Law 1940 - 1965

Year	Total Compensable Cases Settled	Total Number Of Injury Cases Of Minors Under Age 18	Cases of Illegally Employed Minors				
			% Of All Cases Involving Minors	Total Cases	Double Indemnity Cases	Treble Indemnity Cases	Total Increased Compensation Paid
1940	19,949	124	29.8	37	28	9	$ 4,817.73
1941	23,755	194	30.9	60	39	21	3,340.78
1942	28,746	456	27.6	126	117	9	6,245.13
1943	30,185	925	20.4	189	169	20	9,677.29
1944	31,496	1,297	19.8	257	219	38	47,753.98
1945	30,473	1,271	18.6	237	192	45	34,191.81
1946	31,475	950	17.5	166	138	28	24,117.85
1947	34,140	NA	NA	157	145	12	28,672.66
1948	32,154	NA	NA	157	145	12	19,219.09
1949	26,615	568	27.6	157	140	17	40,119.86
1950	25,150	395	23.8	94	87	7	36,955.38
1951	26,538	457	22.3	102	81	21	9,675.41
1952	27,283	556	20.3	113	102	11	21,388.76
1953	26,902	604	20.4	123	111	12	22,206.01
1954	23,727	423	21.3	90	81	9	18,047.12
1955	23,039	350	15.1	53	51	2	7,614.62
1956	24,674	380	14.5	55	50	5	15,766.37
1957	22,852	372	18.8	70	62	8	14,666.48
1958	22,447	355	20.8	74	65	9	49,929.35
1959	22,363	277	14.4	40	39	1	3,529.43
1960	23,973	350	14.6	51	48	3	12,911.31
1961	23,025	390	20.0	78	72	6	27,573.87
1962	22,316	281	20.6	58	52	6	14,396.06
1963	24,772	320	21.3	68	63	5	19,353.15
1964	24,128	395	18.0	71	69	2	20,977.13
1965	27,761	444	14.2	63	58	5	15,018.47

NA — Not Available.

TABLE 10

Cases Settled Under Section 102.22 of Wisconsin's Workmen's Compensation Act, 1942 - 1965

Year	Total Number Of Cases	Total Amount of Penalty Paid	10% Penalty Assessed Against: Insurance Company		Insured Employer		Self-Insured Employer		Uninsured Employer	
			Number Of Cases	Extra Indemnity Paid	Number Of Cases	Extra Indemnity Paid	Number Of Cases	Extra Indemnity Paid	Number Of Cases	Extra Indemnity Paid
1942	191	$1,094.37	60	$602.22	104	$278.98	25	$110.71	2	$102.46
1943	239	1,046.47	50A	245.08A	165	517.78	23	281.86	1	1.75
1944	171	1,132.59	37B	231.33	110	509.80	24	391.46	—	—
1945	105	737.92	16	171.70	78	426.43	10	122.65	1	17.14
1946	107	651.74	10	143.10	85	386.20	11	119.03	1	3.41
1947	64	342.62	7	37.20	55	260.40	2	45.02	—	—
1948	144	1,039.43	34	221.95	98	670.17	12	147.31	—	—
1949	138	1,086.69	39	490.65	90	500.51	9	95.53	—	—
1950	152	1,446.29	42	607.50	103	645.98	6	180.01	1	12.80
1951	102	1,045.65	14	339.43	72	440.14	16	266.08	—	—
1952	65	774.14	21	391.66	35	279.27	9	103.21	—	—
1953	41	482.63	7	143.70	31	254.58	3	84.35	—	—
1954	66	1,272.07	6	650.66	54	392.89	6	228.52	—	—
1955	48	1,083.94	9	321.03	30	239.54	8	521.97	1	1.40
1956	34	1,139.30	4	31.44	24	177.05	6	930.81	—	—
1957	21	348.88	3	17.38	15	130.49	3	201.01	—	—
1958	58	460.11	6	30.25	51	417.86	1	12.00	—	—
1959	22	486.23	3	227.71	19	258.52	—	—	—	—
1960	28	477.75	10	141.64	16	128.21	2	207.90	—	—
1961	69	720.48	12	125.94	51	524.50	6	70.04	—	—
1962	61	689.11	5	24.66	53	628.25	3	36.20	—	—
1963	74	1,260.85	8	155.24	62	757.54	3	61.51	1	286.56
1964	88	2,019.35	9	778.46	77C	1,053.29	2	187.60	—	—
1965	64	1,774.06	9	198.56	51	743.49	4	832.01	—	—

A Includes 5 cases in which both the employer and insurance company were held liable — with increased indemnity of $11.70.

B Includes 1 case in which both the employer and insurance company were held liable — with increased indemnity of $4.90.

C Includes 1 case in which the employer was bankrupt; his insurance company paid increased indemnity of $4.00.

NOTE: Inexcusably delayed payments are increased by 10%. The 10% extra indemnity is payable by the party who is responsible for inexcusable delay in making payments.

TABLE 11

Actions for Review of Decisions of Industrial Commission of Wisconsin

YEARS ENDING JUNE 30: 1940 - 1965

ITEM	YEARS ENDING JUNE 30														
	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954
Actions in Circuit Court for Review	97	108	102	80	85	82	65	69	103	87	112	111	135	150	150
Number pending at beginning of year	36	44	56	45	22	42	25	25	35	36	54	60	66	88	87
Actions commenced during year	61	64	46	35	63	40	40	44	68	51	58	51	69	62	63
By employer or insurance carrier	21	26	19	16	38	22	24	20	26	23	17	24	27	23	22
By employee or dependent	40	38	27	19	25	18	16	24	42	28	41	27	42	39	41
Decisions by Circuit Court	53	52	57	58	43	57	40	34	67	33	52	45	47	63	67
Confirmed	35	20	55	41	26	38	24	21	54	23	40	30	34	50	50
Set aside	3	7	—	5	4	2	10	4	1	3	1	1	4	7	4
Remanded	2	3	—	—	—	—	—	5	6	3	3	1	2	2	1
Dismissed	13	22	2	12	13	17	6	4	6	4	8	13	7	44	12
Number pending at end of year	44	56	45	22	42	25	25	35	36	54	60	66	88	87	83
Actions in Supreme Court for review	32	12	21	31	20	17	26	17	18	21	13	16	18	31	25
Number pending at beginning of year	13	3	7	4	8	6	1	7	5	7	5	3	8	10	14
Appeals taken during year	19	9	14	27	12	11	25	10	13	14	8	13	10	21	11
Decisions by Wisconsin Supreme Court	29	5	17	23	14	16	19	12	11	16	10	8	8	17	18
Confirmed	11	2	11	11	7	10	15	5	5	15	7	4	5	12	15
Set aside	7	2	3	8	5	5	3	4	5	1	3	1	2	3	3
Remanded	5	—	—	—	—	—	—	—	—	—	—	1	—	—	—
Dismissed	6	1	3	4	2	1	1	3	1	—	—	2	1	2	—
Number pending at end of year	3	7	4	8	6	1	7	5	7	5	3	8	10	14	7

(Continued Next Page)

TABLE 11—Continued

ITEM	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965
Actions in Circuit Court for review	158	161	183	174	202	155	156	147	163	167	182
Number pending at beginning of year	81	89	123	114	111	96	80	72	92	92	107
Actions commenced during year	77	72	60	60	91	59	76	75	71	75	75
By employer or insurance carrier	26	28	20	21	22	17	34	37	28	25	37
By employee or dependent	51	44	40	39	69	42	42	38	43	50	38
Decisions by Circuit Court[1]	69	38	69	63	106	75	84	55	71	60	73
Confirmed	54	30	52	47	79	56	59	31	49	37	45
Set aside	—	1	8	7	10	7	10	8	8	7	15
Remanded for compromise or settlement	4	3	—	1	6	3	5	4	3	4	4
Dismissed	11	4	9	8	11	9	10	12	11	12	9
Number pending at end of year	89	123	114	111	96	80	72	92	92	107	109
Actions in Supreme Court for review	17	15	12	19	26	29	18	10	7	15	19
Number pending at beginning of year	5	4	2	5	6	8	8	4	3	3	7
Actions commenced during year	12	11	10	14	20	21	10	6	4	12	12
By Industrial Commission	1	—	2	4	6	3	1	1	1	2	4
By other plaintiffs	11	11	8	10	14	18	9	5	3	10	8
Decisions by Wisconsin Supreme Court	13	13	7	13	18	21	14	7	4	8	15
Confirmed	8	11	2	7	8	14	13	4	4	6	11
Set aside	4	2	4	4	7	5	—	2	—	—	2
Dismissed (favorable)	1	—	—	—	1	—	1	—	—	2	1
Dismissed (unfavorable)	—	—	1	—	—	—	—	—	—	—	—
Remanded for compromise or settlement	—	—	—	2	2	2	—	1	—	—	—
Number pending at end of year	4	2	5	6	8	8	4	3	3	7	4

[1]**Confirmed** indicates that the Industrial Commission order was upheld by the Court's Decision.

Dismissed indicates (generally) that for various reasons the court did not decide the case on its merits (legal or factual points).

Set Aside indicates that the Indusrial Commission order was overturned.

Remanded indicates (generally) that the case was sent back to the Industrial Commission either for approval of a compromise or for further proceedings.

The categories **confirmed** and **dismissed** may be considered as favorable to the Industrial Commission since they leave the Industrial Commission order intact. **Set aside** and **remanded** may be considered as unfavorable to the Industrial Commission since by these decisions the Industrial Commission orders are either discarded in whole or in part, or must be compromised.

NO personal comfort

ELEANOR NELSON, SISTER (Virginia Nelson, Deceased)

vs.

HARRY S. MANCHESTER

June 11, 1964

The deceased and her sister were employed by the respondent at its retail store on State Street in Madison. They worked until 9:00 p.m. on Monday and generally left promptly because of their interest in a particular television program. At approximately 8:50 p.m. on May 20, 1963, the deceased informed her sister that she was going across the street to obtain cigarettes. They shared cigarettes and had one left between them. The purpose in obtaining cigarettes at that time was to enable them to go to their home promptly at 9 p.m. The deceased was struck by a motor vehicle while crossing State Street and sustained fatal injury.

It was held that the accident causing injury did not arise out of the employment. The purchase of the cigarettes was not reasonably necessary for the personal comfort of the deceased or her sister during their work since the day's shift was practically completed.

customer became ee

GRACE BARTLE

vs.

MARSHALL METCALF AND LEROY JARVIS

July 9, 1964

Ralph Metcalf was employed by the respondent to operate one of its caterpillar tractors. Applicant had arranged with respondent to have certain caterpillar work performed on her farm premises. On July 2, 1963, Ralph Metcalf finished such work and asked the applicant to assist him in putting the blade back on the tractor because he was in a hurry to get to another job of the respondent. It was the usual practice of the respondent's employes to seek similar assistance and the respondent paid for such help by crediting the customers on their accounts.

It was held that the applicant was an employe of the respondent. The services performed by her were at the request of and for the benefit of the respondent rather than herself. This case is to be distinguished from Nemeth vs. Farmers' Co-op., 252 Wis. 290 in that respect.

cardiac case

ARNOLD H. BORGWARDT

vs.

TREMPEALEAU ELECTRIC CO-OP

August 13, 1964

The applicant was employed by the respondent from 1949 until 1961. During the last few years his hours were extended from 40 hours to 48 to 50 hours a week, that applicant did occasionally work evenings attending meetings and doing public speaking. The applicant sustained cardiac failure with coronary thrombosis. The examiner found that since the work did not involve strenuous physical labor or intense emotional strain that applicant's disability was not related to his employment.

14 too few for mdw. panel.

SALVATORE A. SORRENTI

vs.

AMERICAN MOTORS CORPORATION

August 21, 1964

The respondent maintained a panel of doctors engaged in various medical specialties and four doctors employed by the respondent. The list did contain the names of 14 general practitioners. The examiner found that a list of only 14 general practitioners in a community the size of Milwaukee was unreasonably restricted. The respondent was held liable for the reasonable charges of necessary treatment rendered by a doctor not on the panel.

KENNETH KINCAID

vs.

JEROME GRIGNON

September 30, 1964 loss of blindeye

The applicant required an enucleation of a previously blind eye as a result of this injury. The issue was whether there was liability for payment into the State Fund established by 102.59 (2). The examiner found liability based on the fact that the statute stated two conditions of liability: 1) in case of loss of the eye, or 2) total impairment of vision of an eye. The first condition existed. The commission reversed the examiner, stating that as to eyes there is also a schedule for total loss of vision, but as to the hand, arm, foot or leg there is no schedule for amputation which had preexisting total impairment. It was concluded there was no legislative intent to require payment of the State Treasury for the loss of enucleation or amputation of a previously totally impaired eye or member.

GINEE A. DARDANELL

vs.

GENERAL MERCHANDISE COMPANY

November 12, 1964

Injury on December 8, 1961 was admitted. The principal issue was whether applicant sustained injury in the course of and arising out of employment. She was working on the 4:00 p.m. to 12:30 a.m. shift December 7 and 8th, 1961. She put a package containing a doll belonging to a fellow employe in the trunk of her automobile for safe keeping. At the end of the shift, applicant and the fellow employe walked to the applicant's automobile which was parked on the employer's parking lot. Applicant went around past the driver's side of the car to the trunk, which she opened. She then lifted the package out of the trunk and over her head, when a strong gust of wind caught the package, causing her to fall, injurying her right knee.

It was held that applicant was not going from her employment *in the ordinary and usual way,* that she did not sustain injury while performing services growing out of and incidental to her employment and that the accident causing injury did not arise out of the employment. Application was dismissed.

This case is pending in the Circuit Court of Dane County.

MARVIN M. ALDERDEN

vs.

ARNOLD L. JOHNSON d/b/a JOHNSON'S SHELL SERVICE

December 9, 1964

The principal issue involved was whether applicant sustained injury March 25, 1963, while performing services in the course of and arising out of employment by the respondent. He had a regular full time job and worked part time at the respondent's filling station, for which he was paid $1.00 per hour, plus commission and a discount on purchases.

The respondent permitted the claimant and other employes to use the facilities of the service station to repair their own automobiles at no charge to them and when they were not on duty for the respondent.

The Commission concluded that this was a part of the remuneration for their services and that the applicant's injury to his eye while working on his own personal automobile was compensable.

MARGUERITE H. RETZER, WIDOW (Edward Retzer, Deceased)

vs.

CITY OF SUPERIOR

December 21, 1964

Deceased was employed by respondent city as a police officer for approximately 18 years. While patrolling in a squad car on May 16, 1963, he received a radio call at 5:15 p.m. to apprehend a suspect on a theft charge. He arranged via squad car radio with another squad car to intercept the suspect at a designated point. The suspect had a record of 31 arrests (13 as a juvenile and 18 as an adult). Deceased followed the suspect's car approximately 14 blocks, then turned on his red light, and by loud speaker directed the suspect to pull over behind the other squad car parked at the curb. The suspect obeyed and made no attempt to escape. The other two officers were outside and next to their squad car and walked over to the suspect's car when he stopped.

The suspect, 2 other men and 2 other women in the car did not attempt to leave their car. It was daylight on a heavily traveled city street.

Deceased parked behind the suspect's car, got out of his squad car and started to walk to the suspect's car when he gasped and fell to the street. He was pronounced dead within 8 minutes. No autopsy was performed.

It was held that deceased did not sustain injury arising out of his employment by respondent and claim for death benefits was dismissed.

This case is pending in the Circuit Court of Dane County.

NORA E. WILLARD, WIDOW (Dewey Willard, Deceased)

vs.

MORNINGSIDE SANATORIUM

March 12, 1965

The principal issue is whether deceased sustained fatal coronary February 21, 1963, while performing services growing out of and

incidental to his employment and arising out of his employment by the respondent.

Deceased worked for the employer as a handy man and his work day was to begin at 5:30 a.m. His first duty was to pick up the employer's cook, who lived a few miles from the employer, so that she was at work at 5:45 a.m. The employer provided an automobile which was kept in a heated garage, with which deceased could pick up the cook and perform other errands. Deceased generally drove to work in his own automobile. For his own convenience, he made a practice of picking up the cook in his own automobile on the way to work, instead of driving to the employer and picking up the employer's car to get the cook.

February 21, 1963, was a cold day and deceased could not get his own automobile started. His wife testified that he was upset and flushed and told her he would have to walk to work. He suffered a fatal coronary attack enroute.

It was held that he was not in the course of his employment, since he was not yet on the premises of the employer and was merely going to work.

ROBERT BREIDUNG

vs.

UNIVERSITY OF WISCONSIN

April 22, 1965

Hernia - knifelike pain

Claimant worked for the respondent since 1954 at maintenance work. He had surgery in February, 1964, for a gall bladder and ulcer, there was no evidence of a hernia at that time or in June, 1963 when he had a complete physical examination. He had returned to work on a half time basis April 30, 1964, and worked half time through May.

On May 11, 1964, he was directed to repair a soap dispenser under a pot and pan washing machine. He had to crawl headfirst into a space approximately three feet deep, 26 inches wide and two and one-half to three feet high. The bottom surface was wet so he laid on a two by three foot tray which was about ten inches above the floor. While in this position with his back on the tray he attempted to loosen the soap pipe overhead using two wrenches. Applicant felt a sharp knifelike pain in his groin while pulling on the wrench. He called out, cursed and then crawled out of the enclosure asking a fellow worker to loosen the pipe. Applicant felt pain while the fellow worker loosened the pipe. Applicant then cleaned the pipe and replaced it performing light work until the end of his shift an hour or two later. He reported his injury to his supervisor immediately and felt a burning sensation in the groin the next morning when he observed a protrusion.

It was held that applicant's hernia was compensable.

LESLIE IMMEL

vs.

HARRY C. BREEST, INC.

April 29, 1965

Hazard 15-0%

The employe sustained injury when he fell through a window opening under construction on an exterior wall. He was standing on a scaffolding erected on the third floor, which scaffold was five feet above the floor. The ground, however, was 28 feet below the point

where he was standing. There was no guardrail across the opening at the window.

The commission affirmed the examiner in finding 15 per cent increased compensation because of violation of Ind 35.21 (1) and 101.06, Wisconsin Statutes. The commission pointed out that since a hazard existed at each opening in an outer wall, such openings must be guarded. The required height for guardrails refers to either the height above the floor or ground, whichever is greater.

This case is pending in the Circuit Court of Dane County.

DONNA J. SCHEPPA, WIDOW (Gerald Scheppa, Deceased)

vs.

NEKOOSA-EDWARDS PAPER COMPANY

May 14, 1965

Deceased who was 28 years old died while drilling holes on a couch roll with a 120 volt drill. He leaned against the roll with his thighs. He suddenly stiffened and made a sound. A fellow worker pulled the cord of the drill and he slumped over the roll. After autopsy, it was discovered that he had an enlarged heart and a coronary arthrosclerosis with approximately 85 per cent occlusion of the anterior descending coronary artery. The ground plug of the drill was missing, but it was not established that this caused electric shock. Examination of the drill failed to show any evidence of a short. There was no mark indicating electric burn on the body of the deceased.

coronary vs. Electric Shock.

The examiner dismissed and found it was more probable that death resulted from a coronary attack than from electric shock. The Commission affirmed the order.

This case is pending in the Circuit Court of Dane County.

MARIE L. JOHNSON, WIDOW (Donald Johnson, Deceased)

vs.

w/ co. car after work SCREEN-O-GRAPH, INC.

July 19, 1965

Drinking

The issue was whether deceased sustained fatal injury in the course of and arising out of employment. He was killed in a one car crash between 1:00 a.m. and 7:00 a.m., October 24, 1964. His occupation was sales work and printing work for the respondent and at the time of his death, he was driving an automobile owned by the employer which he had been permitted to use. On October 23, 1964, he had worked at the Milwaukee plant of the employer and had returned to the Germantown plant after 6:00 p.m. During the course of the evening, he and a fellow employe did work at the Germantown plant, visited a filling station twice and four taverns. They returned to the shop for 15 minutes, then went to the filling station for 10 or 15 minutes and visited two more taverns, after which the deceased drove the fellow employe home, leaving him at 1:00 a.m. on October 24, 1964. No one saw him alive after that time and he apparently headed for home himself. His own automobile had been parked at a wayside in the country for approximately two weeks because of a flat tire. There was no showing that there was an agreement or undertaking by the employer to transport the deceased. It was concluded that the employer, which was operated by the brother of the deceased, merely permitted him to use the automobile as a matter of convenience and that his fatal injury did not occur in the course of or arise out of employment.

This case was confirmed by the Circuit Court January 26, 1966.

ANN L. FREIBURGER

vs.

CITY OF TWO RIVERS
MANITOWOC COUNTY
DR. ALFRED ZLATNIK

August 24, 1965

The applicant was a medical laboratory and X-ray technician by the hospital from 1944 to September 13, 1959. Her duties required her to secure blood, sputum and gastric samples. After leaving the hospital, she had very limited exposure while working for the doctor as a technician. The examiner found that because of the extent of her hospital exposure and recognizing the much higher incidence of tuberculosis among hospital personnel than the general public, it was probable she was infected with tuberculosis by her work experience at the hospital. An interlocutory award was issued awarding compensation and medical expense. The commission affirmed.

AGNES G. BRUENIG

vs.

LINA NURSING HOME

August 27, 1965

Aggressor

The applicant was employed in the kitchen of respondent's nursing home. The son of the owner addressed vile language to the applicant, whereupon she slapped him in the face. He then assaulted her resulting in alleged injury to applicant. The examiner found that the use of vile language did not make the employer's son the aggressor and that the applicant was in fact the aggressor, having struck the first blow. The injury did not arise out of the employment. The commission affirmed.

CATHERINE MOLONEY, WIDOW (Raymond T. Moloney, Deceased)

vs.

MARLIN ELECTRIC COMPANY

October 1, 1965

The deceased was the president of the Marlin Electric Company and Marlin Toy Company, located at Horicon, Wisconsin. He resided at Lake Forest, Illinois, and was fatally injured while flying from Lake Forest to Horicon in a plane owned by the Marlin Electric Company, the operating expenses of which were paid by the Marlin Toy Company. The plane was purchased to expedite the weekly supervision of the businesses by the deceased, who was the only operator of the plane.

The Marlin Electric Company was considering the manufacture of a bowling computer. On January 15, 1964, the deceased flew to Horicon to obtain the computer. The insurance carrier had collected premium from the respondent, Marlin Electric Company, based to a substantial degree on the salary of the deceased. The insurance carrier knew the deceased was the sole operator of the plane, which was separately coded in the audit and premium collected accordingly.

The commission reversed the examiner, holding that the insurance company is now estopped from denying an employer-employe relationship and awarded death benefits to the widow.

This case was confirmed by the Circuit Court June 17, 1966.

ERVIN HENRY SCHREINER

vs.

CAPITOL LIQUOR AND NORTHWESTERN CARTAGE COMPANY

October 27, 1965

The principal issue was who the employer of the claimant was at the time of injury on July 31, 1964. The commission held that he was employed by, performed services for, and was paid for such services by Northwestern Cartage Company, which had assigned him to work as a truck driver delivering merchandise for several establishments. Claimant contacted Northwestern Cartage Company each day for instructions as to where he was to report for work the following day. He was assigned to deliver merchandise for Capitol Liquor and was doing this when he sustained injury on July 31, 1964.

It was found that although Capitol Liquor gave him instructions as to the delivery of its merchandise, claimant was subject to the right of control by Northwestrn Cartage Company and he could not have been discharged by Capitol Liquor. He sustained his injury at the end of the shift, reporting this to Northwestern Cartage Company the next morning. He did not report his injury to Capitol Liquor. When the doctor released him for work, he reported back to Northwestern Cartage Company and was returned to work.

This case is pending in the Circuit Court of Dane County.

CASIMIR CHMIEL

vs.

MILWAUKEE GAS AND LIGHT COMPANY

December 7, 1965

The only issue is whether the employer was liable for 6 per cent interest for delay in payment, pending an appeal under the provisions of section 102.22.

On August 2, 1963, the examiner awarded compensation. This order was petitioned for review and affirmed by the commission on October 2, 1963. Appeal was taken to the Dane County Circuit Court which affirmed the commission on October 9, 1964. The commission has held for many years that 6 percent interest is due under these circumstances from ten days after the commission's order until payment is made, and in this case interest was awarded to the claimant in the sum of $433 and to his attorneys and several doctors in lesser amounts.

The case was confirmed by the Circuit Court May 13, 1966.

EDWARD OLSON

vs.

PAUL J. GRUNAU COMPANY

December 27, 1965

The applicant sustained burns to his wrist and both sides of his face. He was taken to a hospital, but released to his home the same day. His wife was a graduate nurse and under the directions of the

doctor, was able to provide necessary nursing care. The applicant entered into an agreement with his wife to pay her for the time spent in furnishing nursing services.

Although services performed by near relatives are presumed to be a gratuity, the commission affirmed the examiner's award, since there was an agreement to pay for services and she was in fact a nurse. If she didn't perform the services, applicant would either have remained in the hospital or would have required other nursing services at home.

DENNIS LEE BROWN

vs.

JOURNAL COMPANY

January 6, 1966

Applicant was employed by the employer as a newsboy and was 15 years of age at the time of his injury on Sunday, March 14, 1965. He had been instructed to report to the employer's newspaper station at 3:30 a.m. to sub the Sunday newspapers and was injured at about 4:00 a.m. outside the station. The newspapers had not yet arrived and the captain, as well as the assistant captain who were inside the station, kept the door locked so that the claimant and other newsboys could not enter. The boys outside had engaged in horseplay, but claimant withdrew from such activity previous to his injury, although he did sustain injury as a result of horseplay by the other newsboys. This involved pushing boards in and out of the station through cracks in the door. It was concluded that the employer did not establish or enforce reasonable rules of conduct for the safety of its newsboys who might normally be expected to engage in horseplay activity while they were idle, considering their youth and energy. Claimant was at the news station pursuant to the instructions of the employer, waiting to perform his work. It was held that the injury was compensable.

EARL SCHNECKENBURGER

vs.

ELDON MILLER, INC.

February 17, 1966

Applicant was employed by the employer for eleven years and for the last four years as terminal manager. His hours were from 7:00 a.m. to 5:00 p.m. and one-half day on Saturday. About once a week he inspected trucks at night. He attended rate hearings about once a week on an advisory capacity or as a witness. On June 18, 1964, while at work he felt uncomfortable. That evening he consulted a physician who diagnosed a myocardial infarction. He returned to work September 14, 1964, and after two months resumed his usual duties. On June 3, 1965, he attended hearings before the Interstate Commerce Commission in Chicago. He retired at 10:00 p.m. and awoke at 3:00 a.m. perspiring and feeling weak. A second myocardial infarct was diagnosed but in another area of the heart. Applicant had long standing sclerotic changes of the aorta.

The examiner found that the occupation of the applicant did not have a contributory effect in producing the myocardial infarcts of June 18, 1964, and June 4, 1965. The Commission affirmed.

This case is pending in the Circuit Court of Dane County.

STANLEY LOTUS

vs.

CITY OF WEST ALLIS

February 28, 1966

The applicant was a crossing guard at an assigned corner. He was required to be at the corner at 7:55 a.m. to place a school stop sign after having checked in with the police department. On the morning of March 8, 1965, he had time to spare so he stopped in at the school on his way to his corner. On leaving the school he slipped and fell while on the school grounds. He then reported for duty to the police department and reported to his corner.

The examiner allowed the claim but the Commission reversed the order finding that he had not as yet reported for work and that he was not performing services growing out of and incidental to his employment at the time of injury.

Change

WALDEMAR A. ROSENTHAL

vs.

AMERICAN BIOSYNTHETICS CORPORATION

Sex

March 15, 1966

The applicant's duties from 1950 to 1953 involved working with a synthetic estrogen or female hormone in various forms including powder. Beginning in 1951 his hair grew thinner, his beard decreased and he developed breasts which were removed surgically. The examiner found that applicant had sustained a compensable occupational disease. The Commission affirmed.

BARBARA ELIZABETH FISCHER, WIDOW (Wesley Royden Fischer, Deceased)

vs.

WILSON AND SHIPLER, INC.

March 22, 1966

The deceased was fatally injured May 20, 1963, while covered by the Workmen's Compensation Act. The issue was determination of dependency.

The deceased had married Barbara Elizabeth Mickey on May 4, 1963 in Missouri. They then returned to live with her father and daughter. The deceased did not provide for the support of the daughter. The deceased had married June Ellen Biggers in Rockton, Illinois, on May 25, 1947. In 1951 the deceased commenced an action for divorce which was dismissed for want of prosecution. June Ellen Biggers was alive when deceased attempted marriage with Barbara Mickey. Two examiners divided the death benefit equally between Barbara and her daughter.

The Commission reversed and held that the marriage between deceased and Barbara Mickey was invalid as the deceased was still married to June Ellen Biggers and was incompetent to again marry. Diane Mickey, the daughter of Barbara was not living with the deceased but with her grandfather and was not a dependent. June Ellen Biggers, his wife, was estranged from him and not entitled to death benefits. Death benefits were then awarded to the father of deceased.

This case is pending in the Circuit Court of Dane County.

Tavern case covered

FLORENCE ALLEN, WIDOW (Harold Allen, Deceased)

vs.

ASA FOSTER a/k/a ASA FOSTER CONSTRUCTION COMPANY

March 29, 1966

The deceased was employed by respondent, a construction company, to operate equipment. He was only paid for the hours the crew normally worked, however, he was also required to grease and oil the equipment before work. This required that he go to the respondent's office to obtain gas and oil. Deceased was also to turn in his time cards on Friday of each week. On Friday, November 6, 1964, deceased left the site of work and proceeded in the direction of his employer's shop. He stopped for a short time in a tavern and then resumed his trip, sustaining fatal injury. The examiner found that at the time and place of injury, the deceased was entitled to the presumption that he was in the course of his employment and that respondent had failed to overcome the presumption. Death benefits were awarded the widow. The Commission affirmed.

This case is pending in the Circuit Court of Dane County.

FLORENCE L. FISCHER, WIDOW (Roland G. Fischer, Deceased)

vs.

NORTHERN STATES POWER COMPANY

May 13, 1966

The deceased was regularly employed by the respondent as a clerk on the day shift. In the spring of 1965, flood conditions prevailed on the rivers in the La Crosse area. The road to respondent's French Island plant went under water April 12, 1965, and respondent's superintendent provided his pontoon boat to ferry the workers from the Northside City dock. The deceased was hired to meet and ferry the 11:00 p.m. shift at 10:30 p.m. The waters continued to rise and the point of embarkation was changed. The two normal routes he would use to drive were closed so that he had to drive from La Crescent, Minnesota, to eastern La Crosse, then north to Onalaska and south to La Crosse. The deceased attempted to cross the west channel of the Mississippi while going to work and was drowned.

The examiner dismissed but the Commission reversed on the theory that deceased was engaged in a special errand for the benefit of the respondent at the time of injury and the deceased was compensated by the respondent for the trip. An injury on a journey is compensable if the making of that journey is part of the service for which the employe is compensated.

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Dependency: Fischer v. Wilson and Shipler, Inc., p. 26.

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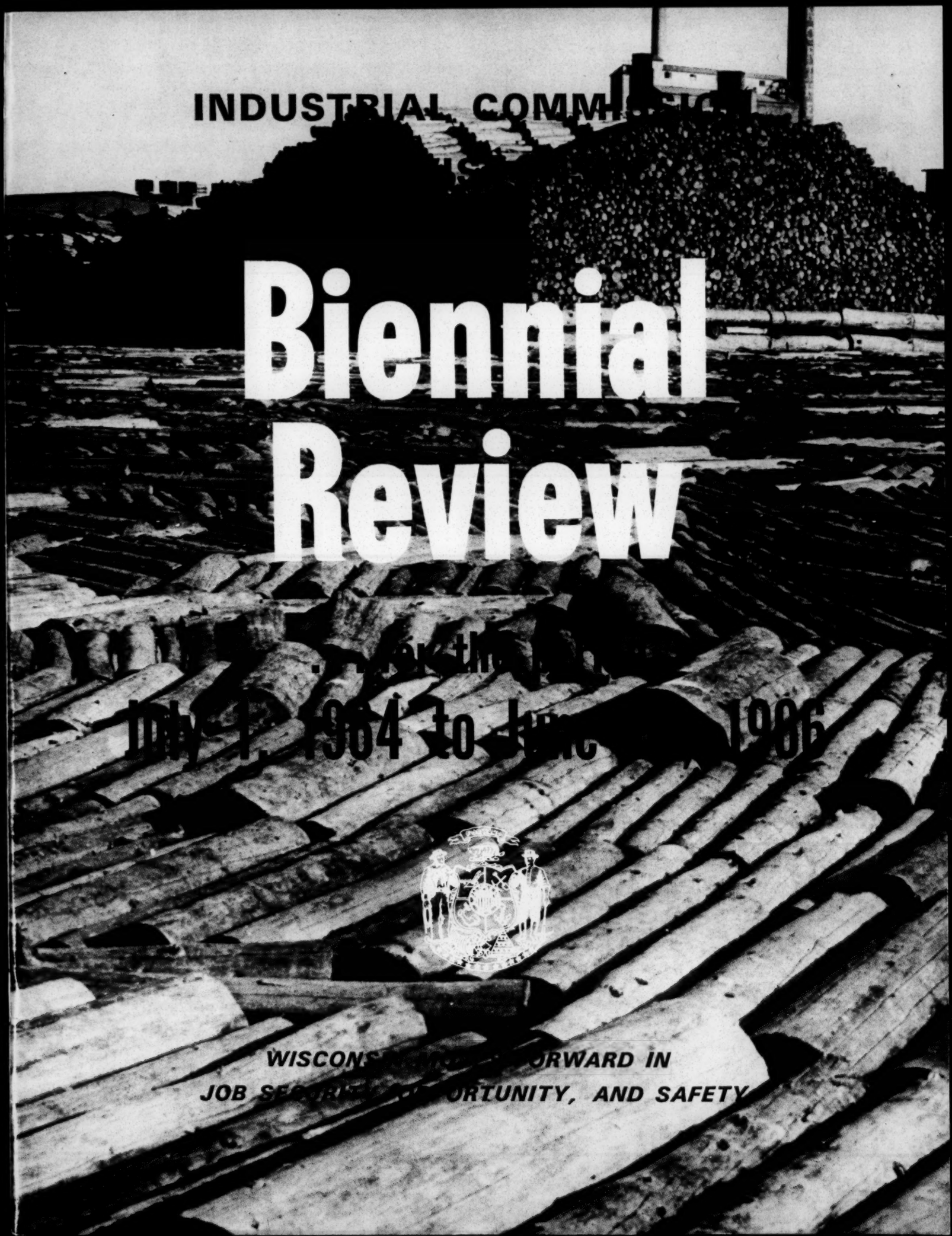

INDUSTRIAL COMMISSION

Biennial Review

July 1, 1964 to June [illegible], 1966

WISCONSIN [illegible] FORWARD IN
JOB SECURITY, OPPORTUNITY, AND SAFETY

THE governor, with the advice and consent of the Senate, is hereby authorized and directed to appoint, as soon after the passage of this act as may be, and thereafter biennially, on the first Monday in the month of February, a suitable person to act as commissioner, who shall constitute a bureau of labor statistics, with headquarters at the capitol.

Section 1, Chapter 319, Laws of 1883

THE INDUSTRIAL COMMISSION OF WISCONSIN

Hill Farms State Office Building • 4802 Sheboygan Avenue • Madison, Wisconsin 53702

December 31, 1966

To the Governor,
the Legislature,
and the people of
Wisconsin:

This report of activities for the biennial period ended June 30, 1966 is respectfully submitted.

Joseph C. Fagan, Chairman

Gene A. Rowland, Commissioner

E. E. Estkowski, Commissioner

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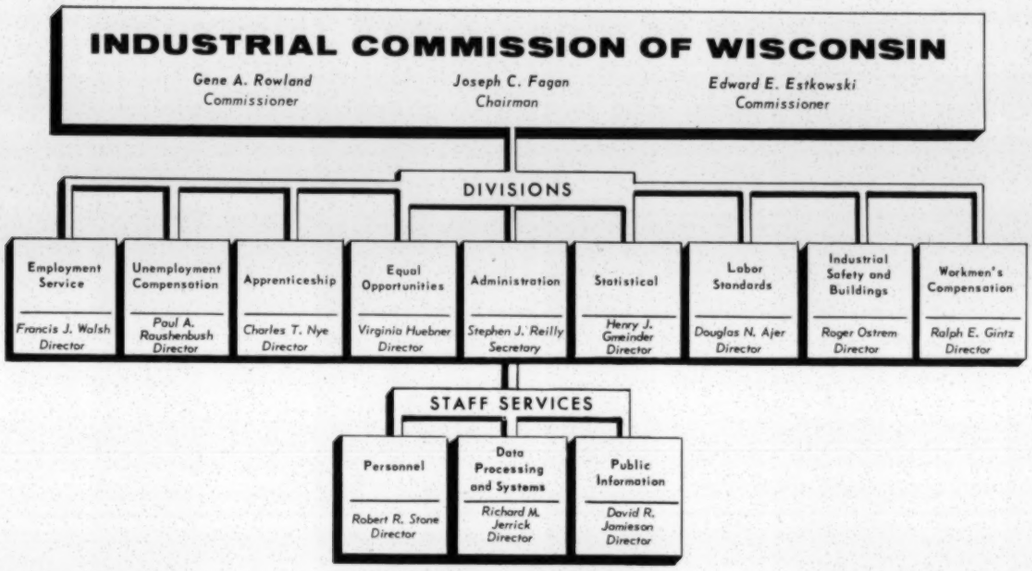
Cover photo of Wisconsin paper industry furnished by the State Conservation Department



GENE A. ROWLAND
Commissioner

JOSEPH C. FAGAN
Chairman

EDWARD E. ESTKOWSKI
Commissioner

WISCONSIN MOVES FORWARD IN JOB SECURITY, OPPORTUNITY, AND SAFETY,

A trained labor force—stable and secure—is vital to the well-being of Wisconsin's industrial establishment. To lead the way toward these objectives is the mandate of the Industrial Commission of Wisconsin, and it is to that end the Commission and its staff are fully committed . . .

. . . by bringing employer and employe together through a comprehensive employment service;

. . . by stabilizing the labor force through benefits aimed to ease the burden of unavoidable periods of unemployment;

. . . by assistance in maintaining and enhancing the high degree of skill in our labor force through providing and encouraging training opportunities;

. . . by fostering employment opportunities for all persons, based only on one criterion, the ability to do the job;

. . . by establishing and maintaining fair and reasonable conditions of employment for women and children;

. . . by maintaining acceptable standards of building construction to assure the safety and welfare of the labor force and the general public;

. . . by helping employers and employes reach fair and equitable settlements for work-associated injuries and illnesses;

. . . and by searching out and publishing useful and needed information about the labor force and the industrial establishment.

MILESTONES

1883—Bureau of Labor Statistics established

1885—Name changed to Bureau of Census, Labor, and Industrial Statistics

1897—Another name change to: Bureau of Labor and Industrial Statistics

1901—First Wisconsin State Employment offices established

1911—This was Wisconsin's banner year of progressive labor legislation. During this year, the Legislature enacted:

- Safety Legislation
- Women's Hours Law
- The Workmen's Compensation Act
- Apprenticeship Training Legislation
- Strengthened powers to establish and conduct State Employment Agencies
- Strengthened the Child Labor Laws and created the Industrial Commission to administer these laws; superseding the Bureau of Labor and Industrial Statistics.

1913—Minimum Wage Legislation

1931—Wage Collection Legislation

1932—Unemployment Compensation Act

1945—Fair Employment Practices Act

1965—Equal Opportunity in Housing Act

WISCONSIN STATE EMPLOYMENT SERVICE

THE State Employment Service is a major division of the Industrial Commission, but operates under such Federal legislation as the Wagner Peyser Act of 1933, the Serviceman's Readjustment Act of 1944 and the Employment Act of 1946.

While the funds are supplied through the Federal Government, the cost of operation in effect is borne by the business community of Wisconsin through a payroll tax on Wisconsin employers of four or more workers.

Through federal affiliation and the consequent lines of communication with other public employment service offices in our 49 sister states, the Service is kept constantly aware of nation-wide developments with immediate or potential impact in Wisconsin.

Responsibilities in a Changing Technological Society

The emphasis of the Service in recent years has shifted from a simple "labor exchange" concept, to the more complex role of a research and training organization.

Each WSES district office continues to face the problem of identifying and serving the peculiar needs of their locales. Aside from the day-to-day work of interviewing, counseling and testing applicants and filling job orders, the Service has been charged with the following responsibilities:

1. Provisions for manpower development and training.
2. Facilitating the outmigration of surplus labor.
3. Attracting qualified people to fill local job vacancies.
4. Industrial-development and community planning activities.
5. Supplementing school guidance programs.
6. Technical assistance to employers in analyzing personnel problems such as turnover and absenteeism.
7. Preparation of special labor market data.

PLACEMENTS

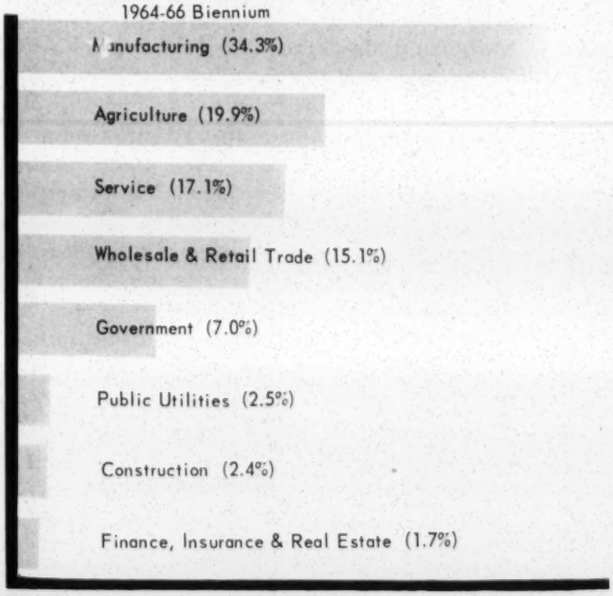
With the demands of our new technology and the high rates of unemployment in our unskilled population, the accomplishments in manpower research and development are a more valid measure of the Service's work than is the simple numerical count of all those people placed in jobs during the biennium. Still, placements remain a vital part of the Service's efforts and totaled 198,102 during the biennium with over 75 percent of them in non-agricultural industries. Non-agricultural placements were made in the following occupational classifications:

TOTAL NON-AGRICULTURAL PLACEMENTS

	158,570	100%
Professional	7,218	4.6%
Clerical and Sales	28,156	17.8%
Service	30,657	19.3%
Skilled	8,308	5.2%
Semi-skilled	19,668	12.4%
Unskilled and Other	64,563	40.7%

A breakdown of placements by industry group is shown in the following chart:

PLACEMENTS BY INDUSTRY GROUP
1964-66 Biennium



The changes witnessed in recent years relieving man of monotonous toil, though sometimes deskilling and always increasing productive capacities, are highly desirable. However, when the state of technology so depersonalizes as to affect the individual's opportunity to work and eliminates personal pride or accomplishment in work, then it needs controlling.

TECHNICAL RESOURCES

Meeting the challenge in the way technology has changed the manner in which work is done has demanded a major re-direction of Employment Service Activities. During the past two bienniums the Service has been designated to play a vital part in the administration of federal legislative acts and programs such as the Manpower Development and Training Act, the Economic Opportunity Act, the Smaller Community Program, and the Area Redevelopment Act. To function effectively in this new environment, the WSES has continued to make use of several new tools and technical resources during the biennium.

Counseling

Employment counseling continues to be a very significant tool for aiding young persons entering the labor markets, for servicemen returning to civilian life and for realistically approaching the barriers to reemployment of older and handicapped workers. Technological change has posed new challenges to other workers forced to change occupations. In the last biennium, the Employment Service gave more than 75,000 counseling interviews.

Special Employer Services

Over 57,000 employer contacts were made to assist in the solution of employment problems such as recruiting, turnover and absenteeism, and to explain the services available to the employer.

Training in principles and use of job analysis was given to 96 employment and plant managers, safety and personnel directors, and labor and industrial relations people representing 28 firms.

Nine new aptitude test batteries for specific occupations were developed and seven others are presently under development.

Nearly 1,000 employers were served by the WSES through the use of tests.

Over 136,000 persons were administered interest proficiency and aptitude tests by WSES district offices.

Occuaptional Research

Wisconsin is fortunate to have one of eight USES occupational research centers where continual study is made on the actual change in and content of jobs. Wisconsin employers have been extremely cooperative and generous with their time and facilities in cooperating with these job studies.

FRANCIS J. WALSH

Director

State Employment Service

During the past biennium, this center completed a brochure entitled *Occupations in Numerically Controlled Metal-Cutting Machining.*
sents occupational information about a relatively new but increasing significant area of work. The brochure will shortly become an official publication of the U. S. Department of Labor, and will be distributed nationally to all employment service offices. A previous study by the Wisconsin Field Center in the area of data processing was also published by the Department of Labor during the biennium under the title *Occupations in Electronic Computing Systems.*

Skill Training

The WSES, in cooperation with the State Board of Vocational and Adult Education and vocational schools throughout the state, has utilized the Manpower Development and Training Act and the training provisions of the Area Redevelopment Act to good advantage. Since the passage of both acts four years ago, 4,500 trainees have completed courses in these programs. and 78% of them have been placed in jobs related to their training. An additional 1,000 persons were enrolled in 24 different occupational training courses in June, 1966.

Community Participation

Extraordinary steps have been taken to extend services to the rural and less populated and industrialized areas where access to employment office services has been limited. The Smaller Community Program, a cooperative venture of the WSES with the University of Wisconsin Agricultural Extension Service's program of Rural Areas Development has achieved the concept of "human resource development." This program encourages and assists local and regional planning groups to evaluate, develop and promote their own resources. Through this program WSES has provided the full range of its services to applicants, employers, public and private planning and industrial development groups, and community action agencies.

In some cases this service has been used to motivate local leadership to take a good look at themselves; in other areas, such as Iron County, efforts had to be individualized. A number of miners were placed on

jobs while others were enrolled in ARA and MDTA training programs when the last iron mine closed.

Labor Market Information

Meeting the growing demands for labor market information has become a flourishing activity serving the needs of employers, researchers, news media, and industrial development promotion and policy planners at the state and national levels. Data, studies, forecasting on employment, unemployment, labor supply and shortages, wages, turnover, training needs and on the employment problems encountered by special applicant groups is developed in a wide variety of periodic and special reports.

These include county occupational potential reports, studies in data processing, cosmetology, careers for non-college bound youth, an automation information series, a recent statewide job vacancy survey and many others.

Recent expansions and improvements in the Employment Service and the introduction of new programs have brought into focus the need for new, more current and more valid information. Much of this material is gathered at the local office level, then analyzed, summarized, and distributed by the administrative office.

The research and Statistics Section works closely with other sections to determine training needs and the effectiveness of training that has been conducted. Within this Section both **automation** and **operations** research and planning is continually studied to find new and better ways to serve the public interest.

FIELD SERVICES DIVISION

Teacher Placement Service

The WSES has maintained a centralized placement service since 1934. The objectives are to assist school administrators to obtain qualified teachers and to aid prospective and qualified teachers to enter and advance in their profession.

The Service maintains the largest repository of teachers' credentials in the state. During the past biennium, 4,156 teaching positions were filled by this specialized service. This figure represents an increase of nearly 12 percent over the previous biennium.

Professional Placement Service

The nature of this statewide program demands most extensive development and implementation at a centralized location. The primary function of a statewide program in bringing together employers and professionally qualified applicants is an activity coordinated through all WSES offices.

Employment in the professional occupational groups has been and continues to be the fastest growing of all occupational groups. This service affords a professional applicant's qualifications the widest possible exposure depending on the applicant's geographic mobility. Nearly 5 percent of the total non-agricultural placements during the past biennium were of professional, technical, and kindred workers.

Inter-Area Recruitment Service

As in years past, the orderly movement of workers within and outside the state is coordinated at the administrative level. This service is utilized by district offices when local sources of manpower cannot meet the needs of employers and where they are willing to accept workers from other localities.

Farm Labor Service

This service is responsible for recruiting enough workers to meet the needs of agricultural and food-processing employers. An annual average of 10,000 migratory workers are recruited in southern labor supply states to meet the seasonal labor needs of Wisconsin employers. This service is accomplished through the network of United States Employment Service offices in states where there is a seasonal supply of workers. The hectic activities of four seasonal offices at Oconto, Wautoma, Sister Bay, Sturgeon Bay and all district offices require close coordination from this centralized service. Regulatory functions relating to wages, housing, transportation and working conditions are also enforced for the protection of migratory labor.

The rapid advance of mechanization has severely affected labor requirements in the production and processing of food and farm commodities. However, the termination of Public Law 78, which permitted importation of foreign workers, has sharply increased recruitment pressure for domestic migratory labor.

Total agricultural placements in the past biennium were 39,532.

SERVING SPECIAL APPLICANT GROUPS

Veteran Services

In 1946 Congress expressed recognition of a moral and just obligation to provide services for veterans. This promise is still needed and fulfilled each day in every public employment service office by maintaining close relationships with veterans organizations.

During the past biennium the Service placed 18,411 veterans in non-agricultural jobs. 12.6 percent of those men were disabled veterans. In addition, nearly 5,000 veterans were provided employment counseling services.

Handicapped Workers

To help handicapped workers compete for jobs each WSES district office provides specialized placement, counseling and job development techniques.

Close cooperation with the State Vocational Rehabilitation Division has resulted in 1,521 persons being referred there for rehabilitation service. In turn, Vocational Rehabilitation has referred 522 people for job placement and WSES has placed 60 percent of them.

WSES district offices also placed 7,775 handicapped workers who did not require rehabilitative service. Over 6,500 disabled job seekers were provided counseling services.

Older Workers

It is over a decade since the needs of older workers in a highly competitive labor market was first recognized. There is adequate evidence that employment practices have failed to accommodate themselves to profound changes in the population age-mix.

The older worker is often defined as 45 years of age and over and he is often faced with a difficult time finding employment when he becomes unemployed. Programs of employer education are conducted to correct many misconceptions of the older worker's capabilities. During the past biennium 25,500 placements were of older workers. In addition, 3,000 received special employment counseling service.

Youth

The majority of youth enter the labor market shortly after graduation from high school; consequently, the Service has increased its counseling, testing and placement services in the state's high schools to assist non-college-bound seniors in the transition from school to work. These services supplement and are closely coordinated with the school's guidance program.

Over 41,000 youth took advantage of the counseling service during the past beinnium. More than 62,000 placements were made of youngsters under 22 years of age.

Recognizing that almost half the population in the nation is 25 years old or younger, the Employment Service has established two Youth Opportunity Centers, one in Milwaukee and one in Madison, to more effectively help young people with their vocational problems.

Intensive outreach to disadvantaged youth and personalized counseling and job placement services are prime objectives of these Centers which serve large areas of central and southeastern Wisconsin.

The Economic Opportunity Act has focused ES services on helping disadvantaged youth through the Neighborhood Youth Corps, Job Corps, and beautification and conservation projects authorized by the Nelson Amendment. All these involve extensive coordination with other agencies.

In the last 17 months of the biennium, the Employment Service recruited and screened 760 young men for Job Corps assignments. Working with 10 sponsors, the ES also enrolled 4,600 young people in Neighborhood Youth Corps projects and 200 adults in Nelson Amendment projects. All those enrolled in various programs received guidance counseling.

Civil Defense Coordination

This agency has well-formulated emergency plans which are closely coordinated with all other Civil Defense and Department of Labor mobilization plans. Activity in the past biennium included the development and trial of recovery plans.

EMPLOYMENT SECURITY OFFICES

The strength of the public employment service lies in the quality of community participation each of our offices can provide to meet the needs of the areas they serve. Through community participation our offices discover the attitudes, desires, needs and ambitions of employers and applicants alike.

Construction of three modern offices was begun in the past biennium in Manitowoc, Sheboygan, and Wausau, and will be completed in 1967. The buildings will be owned by the agency, and are designed to facilitate the best possible employment service to the people of the districts.

As of June 30, 1966 District offices were located in the following cities: Appleton, Ashland, Beaver Dam, Beloit, Eau Claire, Fond du Lac, Green Bay, Janesville, Kenosha, La Crosse, Lancaster, Madison, Manitowoc, Marinette, Milwaukee (2), Oshkosh, Racine, Rhinelander, Sheboygan, Superior, Watertown, Waukesha, Wausau, and Wisconsin Rapids. Branch offices provide service in Neenah-Menasha, Stevens Point, and Marshfield. Madison and Milwaukee each have a Youth Opportunity Center.

LOOKING AHEAD

The Wisconsin State Employment Service is rapidly evolving from a simple labor exchange to an aggressive Manpower Service Agency which actively reaches out to extend its many manpower development services to Wisconsin citizens.

Emphasis will be placed upon four basic manpower functions in the next biennium: outreach, improvement of employability, job development and placement, and job market information. The Employment Service is entering a new era in which it assumes the broad responsibility for the conservation and development of human resources in the work force.

UNEMPLOYMENT COMPENSATION DIVISION

REFLECTING the expansion in business activity, covered employment in Wisconsin reached an all-time high during the 1964-1966 biennium, as did total wages paid to covered workers.

U. C. benefit payments continued to decline, dropping from $48.9 million in 1962-1963 and $48.2 million in 1963-1964 to $39.5 million in 1964-1965 and $33.8 million in 1965-1966.

Wisconsin's U. C. benefit fund received $93.8 million in contributions from covered employers, and $14.5 million in interest earnings during the 1964-1966 biennium. Those receipts exceeded the fund's reduced benefit disbursements by $35.5 million during the two years.

The resulting increase in the fund partly reflected two major benefit financing amendments recommended by the law's Advisory Committee, and enacted by the 1965 Legislature. Those amendments (a) newly provided for "solvency contributions" to be credited to the law's balancing account, starting in 1965; and (b) raised the law's taxable "payroll" base from the first $3,000 per worker, per year, to $3,600, starting in 1966.

COVERAGE — OF EMPLOYERS AND WORKERS

By June 1966, Wisconsin's U. C. law covered about 37,300 employers — mostly those with four or more workers. (21 states cover employers of 1 person.)

Wisconsin's 37,300 covered employers average just under 25 workers each, and have employes in some 40,000 different establishments or places of work.

In March 1965, about 25,700 of those establishments employed fewer than 10 workers; 7,300 had from 10-19 workers; 4,375 had from 20-49; 1,350 had from 50-99; 800 had from 100-249; 250 had from 250-499; 125 had from 500-999; and 86 employed 1,000 or more. Those 86 largest establishments employed over 22 per cent of all workers covered by the law.

The Commission's records show, month by month, the total number of workers employed by private employers. The trend of covered employment has been upward since 1950, increasing from an average of 735,100 in that year to an average of 960,300 in 1965. A detailed breakdown of covered workers in recent years is shown below:

MONTHLY COVERED EMPLOYMENT
1963, 1964, 1965 (rounded data)

	1963	1964	1965
January	853,500	872,300	915,200
February	847,300	867,600	909,500
March	849,500	872,000	914,800
April	868,000	888,600	932,100
May	882,800	906,000	948,100
June	901,100	918,500	973,500
July	916,300	928,200	985,600
August	916,600	941,500	993,100
September	915,500	947,000	992,800
October	904,500	936,500	985,900
November	901,600	934,000	986,500
December	900,500	942,400	987,400
Average	888,100	912,800	960,300

COVERED EMPLOYMENT AND GROSS WAGES
1964 and 1965
(by industry group) — (rounded data)

	Average Monthly Employment (in 1000's)		Gross Wages (in millions)	
Industry	1964	1965	1964	1965
Manufacturing	466	489	$2,950	$3,173
Trade	227	240	945	1,036
Service	69	75	251	282
Utilities	56	58	347	369
Construction	48	51	340	379
Finance, etc.	42	43	227	242
Mining, etc.	3	3	16	17
Miscellaneous	2	2	11	12
	913	960	$5,087	$5,510

Public employes are omitted from the above figures; but Wisconsin's U. C. law now applies to 56,000 public workers — employed by the State, by the City of Milwaukee, or by those cities or counties which have

elected coverage. Instead of requiring U. C. reserves in such cases, the law applies a simple benefit reimbursement basis to each government unit.

In addition, under agreements with the U. S. Department of Labor, about 25,000 federal civilian employes and a varying number of ex-servicemen are covered by the unemployment compensation provisions of Wisconsin's law. Benefits paid to unemployed federal workers or ex-servicemen are financed entirely at federal expense.

Wisconsin's civilian labor force, counting both the employed and the unemployed, totals about 1.8 million. Of that number, about 200 thousand are farm workers, and about 160 thousand are self-employed, or unpaid family workers, or domestic workers. The remaining 1.4 million are non-agricultural wage and salary workers. About 1.14 million of those 1.4 million wage and salary workers have unemployment benefit protection: — 1.05 million in covered private employment; 81 thousand in covered government employment; and about 14 thousand in railroad employment covered under federal law.

The remaining 295 thousand non-farm workers, not covered by unemployment compensation, consist mainly of state and local government workers, employes of non-profit organizations, and about 80,000 employes of employers with less than 4 workers.

WISCONSIN'S UNEMPLOYMENT FUND AND CONTRIBUTIONS

Wisconsin's unemployment reserve fund is held by the U. S. Treasury Department in Washington, D.C., and credited to Wisconsin's account in the Unemployment Trust Fund. Withdrawals are made from this Fund as needed to pay benefits to eligible covered workers.

Wisconsin's benefit fund has been built up since July 1934 by contributions from covered employers only. Each employer's required payments are figured as a percentage of his covered payroll and are credited to his experience-rating account in the state fund.

Wisconsin's fund reached a peak of $262.2 million in October 1957. It declined steadily thereafter to a low of $182.5 million in March 1963. This decline of almost $80 million was due mainly to the heavy benefit costs of the 1957-1958 and 1960-1961 recessions.

But it was also due to the shrinking adequacy of the law's $3,000 "taxable" payroll base, as compared to rising wage and benefit levels.

By 1964 it had become clear that the law's benefit financing provisions should be strengthened, especially as to the fund's balancing or "solvency" account (which finances the benefits charged to overdrawn employer accounts).

The law's Advisory Committee therefore recommended — and the 1965 Legislature enacted — two

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Unemployment Compensation Division

major financing amendments, designed to strengthen the fund and its solvency account.

The first amendment newly provided for a "solvency" contribution, to be paid by each employer into the fund's balancing account, starting in 1965. All employers pay the same solvency rate; but those employers whose normal rate is under 3.7% do not have to pay their solvency contribution as an "extra" — unless they so elect. In overdrawn or deficit cases, however, the solvency rate must be added to the normal rate. The rate is set annually, depending on the "adequacy level" of the balancing account. The solvency rate, as a percent of taxable payroll, was initially set at 0.25% for 1965, and dropped to 0.1% for 1966.

The second 1965 financing amendment changed the law's taxable "payroll" base from the first $3,000 per worker, per year, to $3,600 from 1966 on. That should raise the taxable wage base, on which contributions are paid, from $2.85 billion to about $3.3 billion per year, thereby increasing the adequacy of the fund and its solvency account.

Partly as a result of those 1965 changes, Wisconsin's U. C. contribution collections rose, — from $38.9 million in 1962-1963 and $41.9 million in 1963-1964, — to $45.1 million in 1964-1965 and to $48.7 million in 1965-1966.

And Wisconsin's benefit reserve fund rose, from $189.4 million on June 30, 1964, to $224.9 million on June 30, 1966.

EXPERIENCE RATES

Wisconsin's law has from the start included a definite system of individual employer "experience rating" — with each employer's contribution rate based on his own experience under the law. This system of setting rates is designed to charge each employer with the benefit costs of his own unemployment, and to encourage steadier jobs, so far as practicable.

Each employer's contribution rate is determined once a year, based on his own record, reflected by his account, as to payrolls, contributions and benefit payments. Contribution rates vary accordingly, both among employers and from year to year — based on varying experience.

The law's normal contribution schedule now uses 11 possible "experience rates," each stated as a percentage of the employer's covered payroll: — ranging from a high of 4.4 percent down to zero percent. The highest rates apply only after an employer's benefit drains have exceeded his contributions. The zero rate applies to an employer only when he has built up substantial reserves.

The average rate of contributions, stated as a percentage of the given year's defined (taxable) payrolls, was 1.47 percent for 1961; 1.40 percent for 1962; 1.55 percent for 1963; 1.54 percent for 1964 and 1.67 percent for 1965. The average rate of contributions was even lower, for each of those years, if stated as a percentage of the year's gross total wages for covered work, as follows: 0.85 percent for 1961; 0.78 percent for 1962; 0.84 percent for 1963; 0.82 percent for 1964 and 0.86 percent for 1965.

Wisconsin's experience rating system measures the reserve adequacy of each employer's account by his most recent (single) year's payrolls, and limits rate jumps from year to year, to assure a gradual adjustment of individual rate variations.

U. C. BENEFITS — UNDER WISCONSIN'S LAW

During the first 30 years, through August 17, 1966, Wisconsin's covered workers received over 21.8 million benefit checks for weeks of partial or total unemployment. Those checks totaled over $655 million. More than 43 percent of that amount — over 288 million — was paid in the last six calendar years.

Following are the benefit dollars paid out under Wisconsin's U. C. law, by calendar years:

WISCONSIN U. C. BENEFITS
By Calendar Years
1963-1965

Year	Amount	Year	Amount
1936	$ 131,073	1951	$ 7,358,376
1937	2,131,576	1952	14,128,778
1938	9,511,312	1953	17,937,114
1939	3,663,572	1954	40,029,910
1940	4,548,529	1955	22,187,840
1941	2,928,432	1956	24,055,554
1942	4,119,561	1957	29,306,071
1943	880,512	1958	66,515,694*
1944	1,249,692	1959	37,030,937*
1945	4,264,654	1960	45,519,450
1946	7,771,882	1961	68,058,222
1947	3,393,102	1962	44,591,161
1948	4,895,635	1963	47,542,834
1949	19,626,899	1964	46,443,622
1950	13,061,616	1965	36,020,992

*Includes $11.8 million in state financed temporary emergency benefits: $8.1 million in 1958 and $3.7 million in 1959.

For the last four fiscal years, Wisconsin's benefit payments totaled $48,946,138 during 1962-1963; $48,205,047 in 1963-1964; $39,577,390 during 1964-1965 and $33,807,224 in 1965-1966.

BENEFITS

Weekly Benefit Rates. Each worker's benefit rights under the law are based on his employment by a covered employer. What weekly benefit payment applies to an eligible claimant depends on his own average weekly wage from the given employer, figured by dividing his gross earnings by his work weeks.

The law's schedule of weekly benefit rates, though based on each worker's own average weekly wage, is weighted in favor of the lower earnings brackets. In the higher wage brackets Wisconsin's benefit schedule pays each jobless worker about 50 percent of his average wage — up to the law's top benefit rate or ceiling.

Wisconsin's U. C. law provides that the top weekly benefit rate will be set, each January 1 and July 1, at 52½ percent of the gross state-wide average weekly wage — of Wisconsin's covered employes — for the 12-month period ended six months earlier. This determination is non-discretionary, being based on comprehensive wage and employment data regularly gathered and available under the law.

This semi-annual adjustment keeps the law's benefit ceiling up to date. It helps to assure that a majority of Wisconsin's jobless workers will be paid weekly benefits equal to 50 percent of their own average weekly wages.

Wisconsin's top weekly benefit rate became $54 on July 1, 1964; $55 on January 1, 1965; $56 on July 1, 1965 and $57 on January 1, 1966. During the year ended June 30, 1966, Wisconsin's benefits for total unemployment ranged from $11 per week up to $57 per week, and averaged $44.61 per weekly check. The top rate became $58 on July 5, 1966.

Benefit Duration. How many weeks of benefit duration may apply to an eligible Wisconsin worker depends on how many work-weeks he has had in covered emloyment during the past year. He needs 18 such work-weeks, to qualify at all. Beyond that, the more weeks he has worked, the more rights he has built up and the more benefit weeks he may draw — if he remains unemployed and eligible.

If a worker has had 43 or more weeks of covered employment within the past year, he may draw up to 34 weeks of benefits. If he has had fewer work-weeks, his benefit weeks equal 80 percent of his actual work-weeks.

Benefit Year. Wisconsin's law was amended in 1963, to provide for a "benefit year" — as most other state U. C. laws have long done. So a claimant's benefit

rights are now determined, and set, for a whole "benefit" year, based on his wages and covered during the preceding "base period" year.

Waiting Period. Wisconsin's U. C. law requires a "waiting period" — to start each benefit year — of one calendar week of unemployment for which no benefits can be paid. (The worker must claim and be eligible for that week, or it can't be counted toward his unpaid waiting period.)

The law's one week waiting period means that an eligible jobless worker cannot receive his first benefit check (which pays for his second week of unemployment) until about three weeks after his layoff.

Benefit Claims. To secure benefits under Wisconsin's U. C. law, each jobless claimant must register for work, and must report weekly, through one of Wisconsin's public employment offices. These offices are located in 26 cities, throughout the state. Many smaller communities are served by traveling U. C. representatives, once a week.

To remain eligible, a jobless claimant must apply for any job to which a public employment office refers him and must accept any work offered him, or show good cause for his failure to do so. Whenever a claimant turns down a job without good cause, the law's "work-test" stops his benefits — until after he has worked again, in at least four weeks.

Various other qualifying, eligibility and disqualifying conditions apply. For instance, no benefits are paid to workers while they are out on strike. Benefits are suspended while a claimant is unavailable for work. An employe who is discharged for misconduct on the job, or who quits his job without adequate cause, cannot draw any benefits based on that job.

In short, the law's provisions limit its protection rather strictly — so that benefit checks will go only to laid-off workers who are genuinely unemployed.

Settlement of Disputed Claims. Whenever a question arises as to the possible disqualification of a claimant for benefits, an investigation is made. Based on the facts thus gathered, a Commission deputy makes an initial determination. In any case involving a dispute between employer and employe, both parties receive a written copy of the determination and either may appeal.

In 1965, 94,340 determinations on questions involving possible disqualifications were made at the initial stage. In 26,489 or 28.1 percent of those cases the claimant was denied benefits for varying periods up to complete cancellation of his benefit rights, depending upon the issue involved.

Of the 94,340 determinations, 19,832 involved employer contests primarily on "quit" and "misconduct" issues. The remaining 74,508 determinations involved questions arising through the screening of claims by the Commission's staff, — such as the claimant's availability for work, his failure to register for work with a public employment office, or his failure to apply for or accept a suitable job.

Of the 94,340 initial determinations thus made, 3,456 or 3.7 percent were appealed. In about two-thirds of those cases, the Commission examiner hearing the appeal affirmed the initial determination.

During 1965 the Industrial Commission, sitting as a review body, considered 697 further appeals. The Commission affirmed the examiner's decision in 86 percent of those cases.

Finally, in 1965, the Circuit Court affirmed the Commission in 20 cases; reversed the Commission in 2 cases; and remanded one case for further proceedings. Ten other cases were dismissed, and 19 other appeals were not perfected by the plaintiffs. Further, the Wisconsin Supreme Court decided 4 cases in 1965, on appeal from the Circuit Court and the Commission. In 3 cases the Supreme Court affirmed the Circuit Court and the Commission. In the other case, it reversed the Circuit Court and affirmed the Commission.

Controlling Benefits. The Industrial Commission's continuing efforts to control benefit claims and to prevent improper payments have always been widely supported by labor, by management and by citizens generally. Wisconsin's covered employers are kept fully informed as to benefits and have been especially helpful in keeping improper payments down to a minimum.

When an employee starts his claim, his last employer is notified and asked to report any disqualification which may apply to the claim. Further, the employer not only receives a notice of each benefit determination, but also a notice of each resulting benefit check. Wisconsin was the first state to supply such current benefit information to its employers.

Most U. C. claimants are honest. But there is always some fraud in any benefit program. A few cheaters conceal current wages while claiming U. C. benefits. The Commission uses a variety of methods to spot such fraud. It also checks every communication which gives definite facts about a possible fraud case. U. C. cheaters do get caught, and the law's various fraud penalties are applied.

In 1965 fraud was found in 732 cases which called for disqualification from future benefits. In 589 of those cases, benefit overpayments of $59,300 were ordered repaid. In 73 flagrant cases, court convictions were obtained.

OTHER U. C. BENEFIT AND RETRAINING PROGRAMS

Along with the state jobless benefit program, the Industrial Commission currently operates two federal

U. C. programs, whose benefit provisions and procedures are closely tied in with Wisconsin's U. C. law. (No claimant can receive both Wisconsin benefits and federal U. C. benefits for the same week.)

One federally financed program, called U. C. F. E., provides benefit protection to about 25,000 federal civilian employes located in Wisconsin. During the biennium ended June 30, 1966, the Commission issued 28,400 U. C. F. E. checks totaling $1,190,700.

Another federal program, called U. C. X., applies to ex-servicemen. During the biennium ended June 30, 1966, the Commission issued 56,900 U. C. X. checks, totaling $2,143,400.

The Industrial Commission cooperates with other state employment security agencies in administering those federal U. C. programs, as well as the respective state unemployment compensation laws.

Two other federal programs were administered in Wisconsin by the Industrial Commission's Employment Service and Unemployment Compensation departments, under agreements with the federal government during the 1964-1966 biennium.

In May 1961 the federal Area Redevelopment Act (ARA) became law. It became operative one year later. This new pilot program provided for federally financed weekly allowances, for unemployed persons in redevelopment (high unemployment) areas, while taking approved training or retraining, for periods limited to 16 weeks. Later, by federal amendment, the ARA program was incorporated into the broader Manpower Development and Training Act (MDTA), effective as to new projects starting July 1, 1965.

During the life of the ARA program weekly training allowances totaling $616,000 were paid in Wisconsin, of which $282,900 were paid in the two years ended June 30, 1966.

In March 1962, the federal Manpower Development and Training Act (MDTA) became law. This act also provided for a system of allowances to be paid to unemployed persons during their approved training or retraining. The MDTA program is not limited to redevelopment areas, and its weekly allowances can now be paid for periods up to 104 weeks. It also provides for travel and subsistence allowances in certain cases. The first MDTA courses started operating in October 1962. Allowances paid under the MDTA program totaled $3,366,500 during the biennium ended June 30, 1966.

U. C. ADMINISTRATIVE COSTS

Wisconsin's administrative costs have always been relatively low, when measured by the cost of operating similar U. C. programs in fairly comparable states.

The Commission's costs of administering Wisconsin's U. C. program are almost wholly financed by federal grants made by the federal Bureau of Employment Security, from Congressional appropriations.

These federal grants require the submission of budget estimates based on detailed work-load and unit cost estimates. They also involve federal controls and auditing of all expenditures made by the Commission's U. C. Department — even though all such items (salaries, purchases, rentals, etc.) constitute state expenditures, made through the regular channels which apply to all state departments.

Because of widely fluctuating loads — which characterize every unemployment compensation program — the Commission's U. C. staff and costs have varied widely from year to year. U. C. operating costs, including those involved in paying federal U. C. benefits, were $2,655,508 for 1962-1963; $2,778,885 for 1963-1964; $2,943,772 for 1964-1965 and $3,016,146 for 1965-1966.

FEDERAL LEGISLATION

In 1965 and 1966 a major effort was made in Congress to impose federal benefit standards on all state U. C. laws. If the amendments passed by the U. S. Senate had been accepted by the House, they would have left little room for state discretion or initiative. The proposed changes finally died in a "conference" committee, in the closing days of the 89th Congress.

So far, the steady improvement of the state laws has been a major factor in defeating such proposals. As the Commission has noted in previous reports: — "the best argument against federalization is progress by the states themselves — in improving their own laws and administrative performance. The better the state laws, and the better their administration, the stronger the case against federalization — and the weaker the public demand for further centralization of government functions . . . . Suitable action by the states, to provide more adequate benefit protection for their own citizens, is the best way to head off — or defeat — renewed 'federalization' efforts."

WISCONSIN U. C. AMENDMENTS

Under Wisconsin's unemployment compensation law, the primary responsibility for recommending desirable amendments rests on the law's Advisory Committee, — which now consists of four employer and four labor members.

This representative group has functioned ever since the law's enactment. It has counselled with the Commission on administrative policy and procedure; and has jointly recommended nearly all the major amendments enacted by Wisconsin's Legislature since 1932.

In accord with its statutory mandate, the Advisory Committee will again hold public hearings, in October and November 1966, and will seek to reach joint agreement on desirable U. C. amendments for consideration by the 1967 Legislature. Two legislators have been named by the Legislative Council to observe the Advisory Committee's 1966-1967 meetings.

APPRENTICESHIP DIVISION

THE past two years have continued to be a period of change in both procedures and policies in the Apprenticeship Division. The plan of streamlining the division and its operation has continued ahead as scheduled. Further economies have been put into effect. Clear guides have been developed to shorten communication lines between the division and labor, management, and education groups. And in the past two years additional steps have been taken to promote and initiate many programs under the Manpower Development and Training Act of 1962.

The following is a brief outline of the accomplishments made since July 1, 1964. With the help of labor, management, and education, the second Biennial State Apprenticeship Conference was held in Green Bay, with 375 persons in attendance.

New field offices were established in the Neenah office of the Wisconsin State Employment Service and in the Wausau Technical Institute. Both of these offices provide new and expanded services to labor, management, schools and apprentices in their respective areas.

In cooperation with labor and management, new procedures were developed for the selection of apprentices with Joint Apprenticeship Committees and provided technical assistance to over 300 employers to develop selection procedures that would meet the requirements of the new State Equal Opportunity Plan for Apprenticeship.

Distributed over 2,000 copies of the Guidance Counselor's Guide to apprenticeable occupations, to high school guidance counselors and libraries throughout the state of Wisconsin.

Downward Trend Reversed

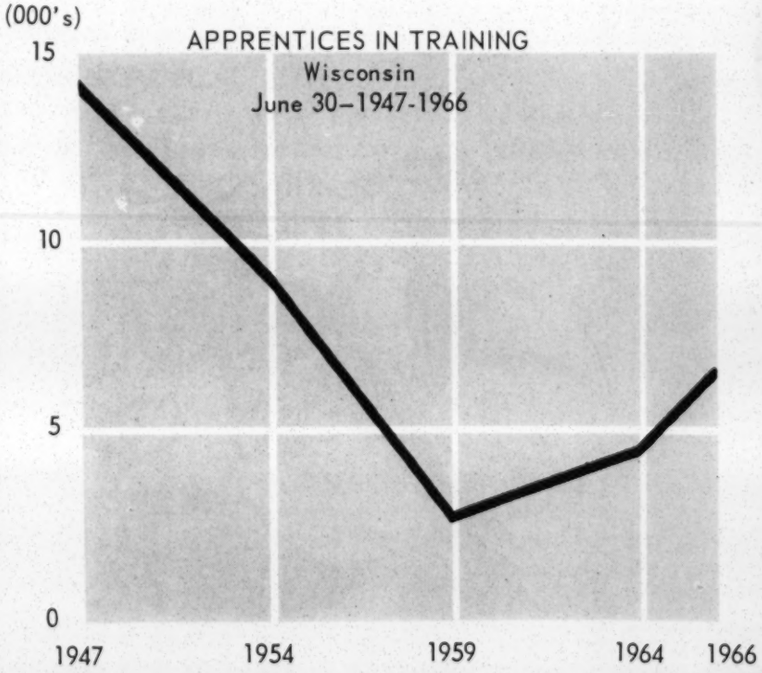
The apprenticeship program reached a modern day low in 1962, with only 4,000 indentures. Since that time, continuous promotional efforts by the Division people, a concentrated effort toward the high school guidance counselor, an upswing in the economy, and a severe shortage of skilled craftsmen, has enabled the Division to reach the current figure of approximately 6,500 indentures.

PROMOTIONAL ACTIVITIES

Because the Apprenticeship Law is based on voluntary participation, the efforts of the Division have to be organized largely into several persuasive phases. Examples of some of these efforts follow:

Promotional Meetings — In 1964, a statewide labor-management-education apprenticeship conference was held in Green Bay. This meeting, which attracted well over 350 participants, was dedicated to the promotion of apprenticeship within the non-participating industries; the review of current programs; and to the updating of the apprenticeship system in Wisconsin.

Following the statewide meeting, several regional conferences were held throughout the state.



Public Information — A planned system of press releases developed to circulate publicity to news media, trade publications, and any and all sources of publicity. This work, coupled with many public appearances of Division personnel, has greatly assisted in promoting the concept of apprenticeship and on-the-job training.

Cooperative Programs — Cooperative agreements have been worked out for promotional efforts with the state and federal agencies connected with and interested in the training of skilled manpower. The principals of these agencies are the Wisconsin State Employment Service; state and local boards of vocational, technical and adult education; Bureau of Apprenticeship and Training, United States Department of Labor; the State Department of Public Instruction, and with state agencies that have apprenticeship provisions in their law — the Board of Examiners in Watchmaking; and the Barbering, Cosmetology, and Plumbing Divisions of the State Board of Health.

Both the field and supervisory staff attend and address meetings and conferences for the purposes of acquainting people with the apprenticeship program and promoting it in all Wisconsin industries. The field staff devotes 50% of its time to promotional activities as compared to practically none in 1960. In their promotional work, they work closely with representatives of the agencies previously mentioned. In the last two years, field and supervisory staffs have accomplished 4,803 promotional visits.

BASIC WORKLOAD

Although the Apprenticeship Division's workload correlates closely with the typical workload of any sales office, some measures regarding quantity of work are both necessary and available. The basic workload

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Director
Apprenticeship Division

of the Division is the processing of apprenticeship indentures. During the 1964-1966 Biennium the following transactions have occurred:

Indentures Approved	5,001
Indentures Completed	1,824
Indentures Cancelled	964
Indentures Suspended	319
Indentures Reinstated	162
Total Transactions	8,270

The field staff representatives made 10,000 field visits during this same two-year period. Over 5,000 of these visits were of a service nature. During the past two years, 1,824 certificates of completion were awarded to graduate apprentices.

The most valid measure of any apprenticeship agency's work is the quantity and quality of the journeymen made available to industries through that agency. So the most meaningful figure quoted above is that of 1,824 apprentices who completed their indentures during the past two years. This many skilled journeymen are an invaluable additional asset to Wisconsin businesses and industries as well as to the graduate apprentice himself who has embarked on a lifetime career. The high quality of Wisconsin graduate apprentices is recognized throughout the nation.

STATISTICAL SUMMARY	FISCAL YEAR 1964-65	1965-66
Indentures		
Approved	1,900	3,100
Completed	934	890
Cancelled	435	525
Suspended	91	228
Reinstated	94	68
Field Visits	4,590	5,410
Diplomas Issued	934	890
On-the-job Trainees	594	1,504

EQUAL OPPORTUNITIES DIVISION

WITH the end of this biennium, the Equal Opportunities Division has completed 21 years of operation. Established in 1945, the Division was assigned administration of the state's then new fair employment practices law and was given the name Fair Employment Practices Division.

Non-Discrimination In Employment

The 1945 statute applied only to discrimination in employment because of race, creed, color, national origin, or ancestry. In 1959 it was amended to bar discriminatory practices based on age, with age defined as "between the ages of 40 and 65." In 1961 the statute was further amended to bar discriminatory practices based on sex and finally, in 1965 it was again amended to prohibit discrimination because of handicap.

Non-discrimination in Housing

In 1965, the state adopted its Equal Opportunity in Housing Law (Chapter 439) which prohibits discrimination where the sale, lease, or rental of housing constitutes a "business" as defined in the statute. The administration of this law was assigned to the Fair Employment Practices Division and, with this addition, a new broad area of responsibilities in human rights, the statute specified that the Division's name be changed from Fair Employment Practices to Equal Opportunities Division.

Non-Discriminatory Contracts Law

In addition to the Fair Employment Practices Law, and the Equal Opportunity in Housing Law, the Division administers the state's Non-Discriminatory Contracts Law. This law requires all contracting agencies of the state to include in every contract executed by them a provision which binds the contractor to employ on a non-discriminatory basis.

DIVISION FUNCTIONS

In administering the laws assigned to it, the Division divides its work into two broad categories: the regulatory function and the educational function.

The regulatory function involves the investigation and adjudication of complaints.

The educational function is broad in scope and covers a wide ranging area of activity. Included are:

. . . investigation of the existence, character, causes, and extent of discrimination in the state;

. . . study of the best and most practical ways of eliminating discrimination;

. . . conferring and cooperating with business, industry, labor unions, professional organizations, and public and private agencies in joint efforts to eliminate discrimination;

. . . and making specific and detailed recommendations to such individuals and organizations.

Educational Activities During the Biennium

To accelerate study of possible discriminatory patterns, the Division held fact finding hearings in the service industry in the Milwaukee area in September 1965 and in the construction industry in the Milwaukee area, the Racine/Kenosha area, and the Janesville/Beloit area in February and March of 1966. These hearings looked into the personnel procedures and practices of these industries as they might affect the employment of minority groups.

A second area of investigation, conducted under a grant made available by the Equal Employment Opportunity Commission in Washington, was a detailed study made to determine the availability of clerical jobs for Negroes in the Milwaukee area.

Equal Opportunity Councils Formed

The Division has been active in encouraging and assisting the creation of private equal opportunity councils. Among the more prominent examples of this kind of activity was the formation in the Summer of 1966 — of the statewide Wisconsin Equal Opportunity Association.

This Association has as its stated purpose:

> "To bind together in one association, the resources of business, industry, labor, located in all geographic areas of Wisconsin, to the end that the principle of equal employment opportunity, based solely on merit, is, in a practical, professional-like way, advanced and more fully realized throughout the State of Wisconsin."

Among its objectives will be to create a positive climate in the state for optimum opportunity; establish educational, cultural and social means for equal opportunity, organize existing facilities in the state to promote optimum opportunity, and work to eliminate all forms of discrimination in employment.

In February 1966 the first annual statewide Governor's Conference on Equal Opportunity in Employment was arranged and scheduled in Milwaukee by the Division. In addition to keynote addresses by the Governor and Commissioner Richard Graham of the Federal Equal Employment Opportunity Commission, the Conference included four specific interest workshops. Approximately 800 people were enrolled in the Conference.

The Committee on Equal Employment Opportunity in Construction was established for the Milwaukee area in cooperation with the construction industry and the construction trades unions. Its purpose is to open wide the channels of communication between civil rights spokesmen, labor leaders and employers; and to accelerate the entry of Negroes into the trades, especially into apprenticeship training.

VIRGINIA HUEBNER
Director
Equal Opportunities Division

Numerous action oriented programs have been held in the effort to eliminate racial and sex discrimination in employment. For example, during the biennium several full day workshops regarding techniques for increasing the hire and upgrading of Negroes and eliminating discrimination against women were conducted for labor leaders and for supervisory and industrial relations personnel within industrial plants.

Division personnel have worked closely with labor/management teams to provide advice and counsel on the legality of collective bargaining provisions, wage and classification plans, benefits programs and job assignments as applied to women workers.

COMPLAINTS

During the biennium, 120 complaints alleging discrimination in employment were filed with the Division. Forty-nine reports of discriminatory job orders were filed with the Division by the State Employment Service. Nine complaints were filed under the new housing law.

Complaints are investigated to determine whether there is or is not probable cause to believe discrimination was practiced.

In those cases where probable cause is found, the Division attempts to eliminate the practice through conference, conciliation and persuasion. When these efforts fail to eliminate the practice, a formal Commission hearing is required by the statute.

While complaints based on race have leveled off during the biennium, there has been a surge of complaints of discrimination because of sex.

Cases involving the sex provisions are complex and require the expenditure of as many as 80 man hours in investigation and adjudication. The following synopsis of a case that is neither the most nor the least complex is illustrative of the work required in arriving at a just determination:

The complaint alleged discrimination on the basis of sex. The Company's job evaluation plan as well as the seniority system established inequities detrimental to female workers. In order to properly evaluate the charge, the investigator was required to interview the complainant, conduct a series of three meetings with management and labor representatives, hold a series of phone conversations with labor and management representatives, study, digest and evaluate a 93-page labor-management agreement, study, digest, and evaluate a 33-page job evaluation plan, maintan a file of reports, communications, etc., on the case. Upon coming to the conclusion that there was probable cause to believe discrimination was practiced, the investigator held a conciliation meeting that resulted in elimination of the discriminatory practices. If correction had not been effected and the case had gone to hearing, the investigator may have been requested to offer testimony.

It is estimated that approximately 50 man hours were expended in this case.

STATISTICAL SUMMARY

The following table indicates the number and nature of complaints processed by the Division:

EMPLOYMENT COMPLAINTS
1964-1966 BIENNIUM

	Number	Per Cent
Race, Negro	56	46.7%
Race, White	3	2.5
Age	10	8.3
Sex	40	33.3
National Origin	4	3.3
Religion	2	1.7
Handicap	5	4.2

HOUSING COMPLAINTS
Dec. 1965 to July 1966

Total Cases	9
Complaint Based on Rental	9
Disposition	
No Probable Cause Found	2
Probable Cause Found	3
Pending	4
Type of Residence	
Apartment	5
Duplex	1
Single Family	2
Town House	1

OTHER ACTIVITIES

Committee on Conflicts in Laws Applying to Women

Recognizing the apparent conflict between the administering of the sex provisions in Wisconsin's Fair Employment Law, and the administration of the "protective" legislation affecting women, a special study committee was established to recommend ways and means of harmonizing the two programs.

Housing Law Advisory Committee

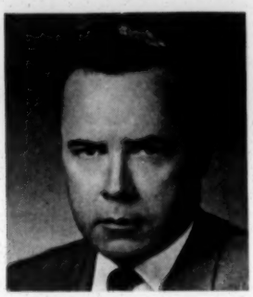
Chapter 439 which prohibits discrimination in housing became effective December 19, 1965. To assist in developing of procedural rules and to advise the Industrial Commission on the development of a sound administrative program, an advisory committee was appointed.

Public Information

Since the success of the Division's program depends in large measure upon the understanding and support of the general public, the staff and Commissioners have addressed and worked with business, industrial, labor, civic, professional and civil rights groups and made numerous radio and television appearances throughout the state.

ADMINISTRATIVE DIVISION

STEPHEN J. REILLY
Executive Secretary
of the Commission



THE Administrative Division provides technical and administrative services to the operating divisions and to the commissioners.

Following is a brief description of the staff sections within the division and a review of their 1964-1966 accomplishments:

Personnel: This Section coordinates the personnel activities of all the divisions. In this biennium, payroll and personnel records of the commission were centralized and assigned to Personnel. Before centralization, payroll and personnel records were maintained separately for the federally financed and for the state financed divisions. In addition, personnel has made significant progress in staff training programs.

Data Processing and Systems Analysis: This Section provides data processing and systems analysis service for all divisions. In this biennium, data processing service was centralized in the administrative division. Before centralization, the Unemployment Compensation Division provided data processing services to the other divisions of the commission. In addition to centralizing data processing, Systems Analysis was combined with Data Processing into one Section. During this biennium the computer feasibility study was completed and specifications submitted to seven vendors. The commission has ordered an IBM System 360 Model 30 scheduled for delivery on May 1, 1967.

The Data Processing Systems Analysis Section has been designing new systems for the computer; acquiring and training a staff of programmers; and programming and testing to be ready to make the transition from the present unit record system to the computer. After the computer is installed and operational, considerable economies will be realized in commission operations.

Public Information: This section has the responsibility of coordinating the public information programs of all divisions of the commission. It is particularly concerned with providing information to those parts of the population which are most directly affected by the legislation and regulations administered by the commission.

Program results in public information can only be measured by how well the commission gets its story across to the public. Much progress has been made in this biennium in this regard. Wider coverage in the news media has been evident. More direct public contact has been achieved through personal appearances. The commission has made progress in digesting laws and codes so that they can be easily understood and easily disseminated. This section has developed an internal publication, the "Intercom," designed to keep the 1,200 commission employes up to date on commission programs, policies, and developments.

Fiscal: The Fiscal Section has the responsibility for budgeting and accounting for the seven general fund divisions of the commission. The main emphasis in this biennium has been in providing better budgetary controls to the division directors.

Purchases and Services: Purchases and Services has the responsibility for purchasing, stores, reproduction and other services for the seven general fund divisions of the commission. Notable among the achievements this biennium of the section has been the establishment of an inventory of all capital equipment with a depreciation schedule set up for each.

Secretarial Services: This unit serves the typing and stenographic needs of the seven general fund divisions of the commission. Emphasis has been on training the unit personnel on the work of all divisions to provide flexibility. A significant degree of mechanization has been achieved through the acquisition of automatic typewriters.

Other Administrative Services: This division also provides administrative assistance to the three commissioners in carrying out their responsibilities. During these past two years, the commission has made significant progress in improving the quality and quantity of all operations. The addition of the computer will greatly increase the potential for further improvement and efficiency in operations and so enable the commision to be of even better service to the people of Wisconsin.

STATISTICAL DIVISION

THE Statistical Division has been in existence since the organization of the Industrial Commission in 1911, with the function of carrying out the various Statistical programs assigned to it by the Commission. In these years, the Statistical Division has prepared information on a large range of subjects.

Following is a brief description of the current programs of the Division:

WORKMEN'S COMPENSATION STATISTICS

One of the major programs of the Division is the preparation of workmen's compensation statistics — including the review of qualifications of self-insurers and applications for partial or divided insurance coverage privileges. (See section on the Workmen's Compensation Division.)

Employers subject to the provisions of the Workmen's Compensation Act must report compensable injury cases to the Industrial Commission on Form W.C.-12. The Statistical Division codes certain pertinent information from Form W.C.-12 and its corresponding claim docket prepared by the Workmen's Compensation Division.

Basic coding principles follow the provisions of the American Standard Method of Recording Basic Facts Relating to the Nature and Occurrence of Work Injuries, Z16.2-1962. Analytical categories coded are: 1) nature of injury, 2) part of body affected, 3) source of injury, and 4) accident type.

All of the material in the monthly releases on reported cases is derived directly from Form W.C.-12. Much of the data for the annual releases on compensable settled cases also come from this form. Reports of 37,070 work injuries were received by the Commission during the second year of the biennium as compared to 34,689 during the first year of the biennium. Of these totals, 4,311 and 4,316 were cases in which the liability of the employer was self-insured.

Employers and self-insurers are rated by the time taken to send in a first report; insurance companies and self-insurers are rated by the time taken to make the first payment of compensation. First reports of injury cases are considered prompt reports if received within seven days after the date of commencement of disability. First payments of compensation are classified as prompt payments when the injured employe has received, within 15 days after the commencement of his disability, the full amount due and payable for all compensable time lost during the first ten days after the commencement of his disability.

PERCENTAGE OF CASES WITH PROMPT FIRST REPORTS
Fiscal Year Ending June 30,

1965	
All cases	53.7
Insured employers	56.5
Exempt employers	34.1
Private	46.9
Public	16.0
1966	
All cases	52.9
Insured employers	55.8
Exempt employers	30.8
Private	45.7
Public	9.5

PERCENTAGE OF CASES WITH PROMPT FIRST PAYMENTS
Fiscal Year Ending June 30,

1965	
All cases	85.1
Insurance companies	85.8
Exempt employers	77.8
Private	79.8
Public	60.6
1966	
All cases	84.8
Insurance companies	85.4
Exempt employers	78.7
Private	80.9
Public	60.6

The releases on cases reported to the Commission on Form W.C.-12 are issued monthly. The reported cases are classified by: insurance status; sex; percentage of first reports received within seven days; daily average number of injury cases reported; selected age groups; occupational classification; traffic accidents; nature of injury, source of injury and accident type; nature of injury and part of body affected; industry and source of injury; city of occurrence and nature

of injury; county of occurrence and accident type; and available information on the fatal injuries reported during the month. Other tables and information are included as the need arises.

Fiscal Year Ending June 30, 1965	
Fatal cases	130
Nonfatal cases	34,559
Occupational disease cases	1,181
Accidental injury cases	33,508
Women	4,898
Men	29,791
Total no. of cases reported	34,689
1966	
Fatal cases	136
Nonfatal cases	36,934
Occupational disease cases	1,255
Accidental injury cases	35,815
Women	5,175
Men	31,895
Total no. of cases reported	37,070
% CHANGE	
Fatal cases	+4.6
Nonfatal cases	+6.9
Occupational disease cases	+6.3
Accidental injury cases	+6.9
Women	+5.7
Men	+7.1
Total no. of cases reported	+6.9

Work injury cases are classified by insurance carrier and self-insurer in the following releases: Promptness of First Payment of Compensation (semi-annual); Compensable Settled Cases Classified by Formal Hearings and Summary Data (annual).

Employer violations of Industrial Commission rules are published in an annual release on double and treble liability cases of illegally employed minors, and violations of safety orders.

The annual releases on compensable settled cases are on a calendar year basis and show amount of indemnity and medical aid paid. Various reports are issued, classifying the work injury cases by: place of occurrence; industry; county of occurrence and industry; occupation; source of injury and accident type; disability; occupational diseases; and a summary. Such releases do not include reopened, compromise or non-

HENRY J. GMEINDER
Director
Statistical Division

compensable cases. Special studies are also released on work injuries occurring in certain industries.

Injury cases are classified as being settled (or closed) as soon as the Commission's files contain evidence of full payment of all benefits due, or when the Commission has entered a final award in final settlement of the claim.

COMPENSABLE WORK INJURY CASES SETTLED, 1964 & 1965

1964	
Total number of cases	24,123
Kind of disability	
Fatal	120
Permanent total	12
Permanent partial	2,925
Temporary	21,071
Indemnity	$12,795,828
Medical aid paid in cases on a fee basis	
Number of cases	22,503
Amount	$4,972,460
Cases with no fee reported — contract medical and other	1,625
1965	
Total number of cases	27,761
Kind of disability	
Fatal	116
Permanent total	17
Permanent partial	3,309
Temporary	24,319
Indemnity	$14,420,543
Medical aid paid in cases on a fee basis	
Number of cases	25,546
Amount	$5,753,144
Cases with no fee reported — contract medical and other	2,215

Some reports are not given general distribution. These include requests for special studies from other departments of the state, the Wisconsin Council of Safety, Inc., and employer groups engaged in accident prevention activities.

Monthly payrolls are prepared for the Children's Additional Death Benefit Fund, Second Injuries Indemnity Fund, and Workmen's Compensation Claims Against the State of Wisconsin, and all changes and adjustments are furnished to the Bureau of Finance. Special reports are prepared on the financial condition of these funds and those receiving benefits therefrom.

Reports are collected from employers carrying their own risk under the Workmen's Compensation Act and evaluated for Commission review. Applications for partial and divided insurance coverage are also presented to the Commission for necessary approval.

The Statistical Division also undertakes special studies for the Commissioners, the Director of Workmen's Compensation, and the Advisory Committee on Workmen's Compensation Legislation.

INJURY FREQUENCY AND SEVERITY RATE PROGRAM

This program is carried out in cooperation with the Bureau of Labor Statistics of the U. S. Department of Labor. Work Injuries Cooperative Survey Form BLS 1418 furnishes both the Industrial Commission and the U. S. Department of Labor with the information needed to compile their respective summaries.

The employers surveyed are asked to furnish the following data: average number of employees for the year, including all classes of employees; total hours worked by all employees during the year, excluding off-duty time paid for, such as vacation; nature of business; and every disabling work injury which occurred during the year, by classification.

All injury rate data are compiled according to the provisions of the American Standard Method of Recording and Measuring Work Injury Experience, Z16.1. The injury frequency rate is the average number of disabling injuries for each 1,000,000 employee-hours worked. The injury severity rate is the average number of days charged or lost, as a result of disabling work injuries, for each 1,000,000 employee-hours worked. The average days charged or lost per disabling injury is the total number of days charged or lost divided by the total number of disabling injuries.

Each year, requests for work injury rate data are mailed to approximately 5,500 manufacturing firms and 5,000 construction contractors operating in Wisconsin. The injury rate experience in the table below reflects the exposure of almost 450,000 Wisconsin manufacturing and construction employees, representing around 90 percent of all manufacturing employment and around 60 percent of all contract construction employment.

ALL MANUFACTURING	
1964	
Injury frequency rate	16.5[A]
Injury severity rate	673[A]
Average days charged (or lost) per disabling injury	57[A]
No. of reporting units	4,425
No. of employees reported (rounded)	415,600
Percent of estimated total employment	87.9
1963	
Injury frequency rate	15.2[A]
Injury severity rate	696[A]
Average days charged (or lost) per disabling injury	46[A]
No. of reporting units	4,461
No. of employees reported (rounded)	417,200
Percent of estimated total employment	90.1

ALL CONTRACT CONSTRUCTION	
1964	
Injury frequency rate	38.3[A]
Injury severity rate	2,526[A]
Average days charged (or lost) per disabling injury	66[A]
No. of reporting units	2,925
No. of employees reported (rounded)	32,900
Percent of estimated total employment	57.2
1963	
Injury frequency rate	35.6[A]
Injury severity rate	2,432[A]
Average days charged (or lost) per disabling injury	68[A]
No. of reporting units	2,794
No. of employees reported (rounded)	31,700
Percent of estimated total employment	60.8

[A] Weighted average. The weights are based on the relation between the employment reported and the estimated total employment.

Two annual releases are published: a regular work injury statistical release and a special release on the work injury experience of members of the Wisconsin

Council of Safety, Inc. Work injury experience is classified by detailed industry, location of reporting establishment, and size of reporting establishment.

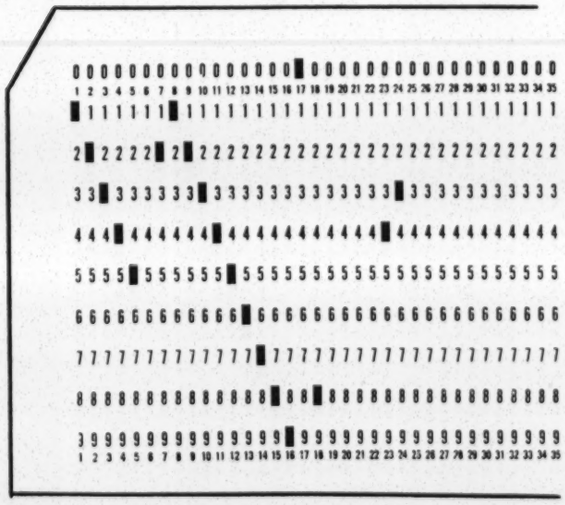
There are four basic differences between our workmen's compensation statistics and injury frequency rate data.

Under the injury frequency rate program, all injuries or occupational diseases resulting in disabilities that caused lost time of one day or more, as provided in Z16.1, are included. Workmen's compensation statistics generally include only those cases covered under the Wisconsin Workmen's Compensation Act, where the injury or occupational disease caused a disability that lasted four or more days. (Both include permanent partial disability cases where no time was lost.)

The compensable time in workmen's compensation statistics, as of January 1, 1961, represents the actual time paid for, counting six days to the week, under the provisions of Wisconsin's Workmen's Compensation Act. In injury frequency rate data, the days lost are calendar days for temporary disability cases; for fatal, permanent total and permanent partial disability cases, scheduled time charges (in days) are assigned according to the provisions of Z16.1.

Reporting on Form BLS 1418, the form used to determine the injury frequency rates, is voluntary. Under the Workmen's Compensation Act of Wisconsin, reporting is compulsory of all work injury cases, except temporary disability cases which cause disability for three days or less.

The county and area groups, for injury frequency rate data, are determined by the location of the reporting establishment. For workmen's compensation data, the county and area groups are determined by the location where the injury was incurred. This is a minor difference, however, since the majority of work injuries occur at the location of the reporting establishment.



PREVAILING WAGE RATES AND HOURS OF LABOR

Under the direction of the Statistical Division, the program functions to fulfill the legislative intent of Sections 103.49, 103.50 and 66.293.

Wisconsin's three prevailing wage rates and hours of labor laws have for their primary purpose the stimulation and protection of the economic position of individual workers on specified public contract construction projects, ensuring rates at least equal to those prevailing in the area. This legislation prevents substandard wages, aids competitive bidding, improves accuracy of estimates, improves quality of workmanship and provides more labor-management harmony on projects subject to these statutes.

Wage rate data are gathered from a variety of sources and carefully analyzed. Reports are received from labor organizations, contractors, United States Department of Labor, and other sources. Collective bargaining and employee welfare fund agreements are studied.

Under these laws, the Statistical Division:

1. Certifies prevailing wage rates, fringe benefits, and hours of labor for each subject state and municipal contract building construction and public works project, except highways and bridges.
   a. Section 103.49. State contract building and other public works projects where the estimated total cost of completing the project is $25,000 or more, or between $2,500 and $25,000 and only one trade or occupation is required to complete it.
   b. Section 66.293. Municipal public works projects, except highway, street or bridge construction, contracted by the solicitation of bids with minimum $2,500 and $25,000 threshold coverage levels as under Section 103.49.
2. Certifies annually prevailing wage rates, vested vacation payments, truck rental rates, and hours of labor for state contract highway construction under Section 103.50.
3. For Section 103.49, refers complaints to enforcing unit and serves as a consulting unit; for Section 103.50, refers complaints to enforcing unit; for Section 66.293, answers inquiries on alleged underpayments by individual employees, and serves as a consulting unit — for challenges of prevailing wage rates by municipalities or labor organizations, arranges for and holds hearings to be attended by interested parties.

In addition, the Statistical Division provides contractors, labor organizations, architects, governmental units, and others with construction wage rate informa-

tion. Early in 1964, a collectively bargained building construction wage rate booklet was issued for two purposes: first, to serve as an additional check on the validity and reliability of prevailing wage rates and fringe benefits, and secondly, to make this information available to other users in a more economical form. Since then, this booklet has been issued annually, with quarterly revisions.

Wisconsin's three prevailing wage rate laws were first enacted in 1931. However, the Industrial Commission did not have any responsibility for determining prevailing wage rates for municipal projects until January 1, 1966, after Chapter 484, Laws of 1965, became effective.

The following tabulation summarizes, for the biennium, activities of the Statistical Division related to the administration of the laws:

Fiscal year ending June 30, 1965	
Number of certifications	
103.49[A]	241
103.50[B]	1
Number of public hearings held	
103.50	1
1966	
Number of certifications	
103.49[A]	203
103.50[B]	1
66.293[A]	185
Number of public hearings held	
103.50	1
Number of exemptions granted	
66.293	11
Number of wage determinations challenged	
66.293	15
Number of special hearings or meetings held	
66.293[C]	14
Number of meetings of Prevailing Wage Rate Advisory Committee	12

[A] Each certification involves up to 250 different occupations.
[B] This certification is made annually; a total of 6,100 wage rates are determined for the 72 counties in Wisconsin.
[C] Excluding those meetings attended by Commission Staff only.

OTHER PROGRAMS

Statistical releases on child labor and street trades permits are published annually from information supplied by the Division of Labor Standards. The permits are classified by place of issue; industry; sex; and age.

The Statistical Division prepares monthly, quarterly and annual reports on plans approved by the Building Section of the Division of Industrial Safety and Buildings.

INDUSTRIAL SAFETY AND BUILDING PLAN APPROVALS AND FEES COLLECTED

Fiscal Year Ending June 30, 1965	
All plans approved	6,771
Private project approvals	5,801
State and Municipal project approvals	970
Fees collected on private project approvals	$106,393
1966	
All plans approved	7,481
Private project approvals	6,316
State and Municipal project approvals	1,165
Fees collected on private project approvals	$127,341

The Committee to Evaluate the Statistics Division of the Wisconsin Industrial Commission was formed on December 7, 1965, as part of the Governor's 19-Point Program for improved service in the Industrial Commission. It was composed of representatives of management and labor unions who evaluated the established program of the Statistical Division toward a goal of collection and analysis of those statistics which can significantly add to the effectiveness of state service.

The committee confined its recommendations to the establishment of general criteria, including: "Because of limitations of staff and budget within the Division, the Director must restrict and channel expenditures of time, personnel and equipment to the collection and analysis of only those statistics which improve the service and advance the programs of the Industrial Commission."

RELEASES AND REPORTS

Workmen's Compensation Statistical Releases.
Work Injury Rate Statistical Releases.
Prevailing Wage Rate Law for State Contract Building Construction and Public Works — Section 103.49.
Prevailing Wage Rate Law for State Contract Highway Construction Work — Section 103.50.
Prevailing Wage Rate Law for Municipal Public Works — Section 66.293.
Collectively Bargained Wage Rates in Wisconsin Building Construction.
Reports on Plans Approved by the Building Section, Division of Industrial Safety and Buildings.
Annual Certification of Prevailing Highway Construction Wage Rates and Truck Rental Rates.
Annual Child Labor and Street Trades Permits Statistical Reports.

DIVISION OF LABOR STANDARDS

THE Division of Labor Standards of the Commission is charged with the administration and enforcement of the following nine laws:

1. Child Labor
2. Street Trades
3. Women's Hours
4. Home Work
5. Minimum Wage
6. One Day of Rest in Seven
7. Wage Payment and Collection
8. Private Employment Agencies
9. Prevailing Wage (Enforcement)

WAGE PAYMENT AND COLLECTION

Under Section 103.39 and 101.01, the Commission may investigate and attempt to adjust controversies on the wage claims not in excess of $200. In its efforts to reach a settlement, it may take an assignment of wage in trust from an employe whose claim is deemed to be valid.

Claims against employers in Milwaukee County are handled by the Commission's branch office in Milwaukee. Claims against employers located elsewhere in the state are acted upon by the Madison office.

When a claim is filed with the Commission, the employer is notified and requested to answer the claim. If he denies the validity, the matter is set for investigation or hearing at which time both the employer and the employe are given full opportunity to present their positions on the wage claim. If the Commission finds the claim to be valid and the employer refuses to pay it, the employe assigns his claim to the Commission as the basis for a civil action against the employer for its collection.

The law allows the Commission to call upon the district attorneys of this state to commence actions where necessary. Actions on claims for agreed wages against employers in this state, exclusive of Milwaukee County, are commenced by the district attorney of the county in which the employer is located.

A Commission attorney located in the Milwaukee office represents the claimant in actions against employers in Milwaukee County.

During the period July 1, 1964 through June 30, 1966, 202 claims were referred to district attorneys for action. Court action was commenced on 91 claims by the Commission attorney in Milwaukee.

During the biennium, 894 claims were collected with collections amounting to $48,947.74.

CHILD LABOR

The purpose of the Child Labor Law is to protect the life, health, safety and welfare of our minor employees. A work permit system serves as an effective tool in the administration of the Child Labor Law and serves as a protection for both the minor and the employer. The child is protected from working at a job that may be dangerous or for which he may be physically unfit. The employer is protected from unwittingly violating the law.

The Child Labor Law requires that work permits be obtained for each minor employe under the age of 18, except those engaged in agricultural pursuits and domestic work during vacation and outside of school hours. A minimum age of 14 years is set for most gainful employments. The law regulates the hours of work, and lists the employment and places of employment deemed to be dangerous or prejudicial to the life, health, safety, or welfare of minors under the ages specified.

Section 103.75 of the Child Labor Law permits the Commission to issue age certificates for minors under rules and regulations which are deemed necessary. This section makes age certificates conclusive proof of the age of the minor under the Workmen's Compensation Act. Age certificates are issued to minors who prove their ages to be between 18 and 21 years.

When minors under 20 years of age are injured in their employment, the accident reports are referred to this division by the Workmen's Compensation Division to be checked for violations of the Child Labor regulations. Of the 3,223 such cases checked during this biennium, 154 minors were injured while employed in

violation of the Child Labor regulations. Consequently their employers were assessed increased compensation. During this biennium, employers paid a total of $17,-810.91 increased compensation to injured minor employes.

STREET TRADES

The Street Trades Law regulates the employment of minors under 18 years of age in the sale and distribution of magazines, periodicals, newspapers, and in street trades work on any street or other public place, or from house to house. The statute as originally inacted, fixed a minimum age of 18 for the employment of girls and 13 for the employment of boys. In 1951 the law was amended to allow the employment of boys 12 years of age on condition that their work was limited to house to house street trades in residential areas.

PERMITS AND AGE CERTIFICATES ISSUED

In the administration of the Child Labor and Street Trades laws, the Commission relies on the voluntary services of 870 permit officers authorized by the Commission to assist in the issuance of permits. These permit officers are located in all communities offering employment opportunities to minors.

The number of Child Labor and Street Trades permits and Certificates of Age issued in the state are shown according to calendar year as indicated.

	Calendar Year 1964	1965
Child Labor Permits Issued	62,157	72,706
Street Trades Permits Issued	14,875	16,070
Age Certificates Issued	3,992	6,396
Total Permits and Age Certificates Issued	81,024	95,172

ONE DAY OF REST IN SEVEN

The One Day of Rest in Seven Law, Section 103.85, provides that employes of factories and mercantile establishments, with certain exceptions named in the law, shall receive at least 24 consecutive hours of rest during each calendar week. To relieve some employes of the hardship created by strict compliance with Section 103.85, especially in cases of emergency, the Commission grants exceptions to Section 103.85. From July 1, 1964 through June 30, 1966, the Commission granted 404 exceptions to this law.

HOMEWORK

The Wisconsin law provides that no owner or lessee of any factory shall send out work to be done in a home unless he has secured a permit to do so from the Industrial Commission. During the period of July 1, 1964 through June 30, 1966, 38 permits for homework manufacture were issued.

MINIMUM WAGE LAW

The Minimum Wage Law makes it the responsibility of the Industrial Commission to determine, fix, and enforce wage rates payable to women and minors, which are not less than the living wage. The minimum wage order, which became effective September 1, 1964 set the following rates:

MINIMUM WAGE RATES

	Effective Sept. 1, 1964
(a) Adult women and minors 16 years of age or over:	
1. In cities of 1,000 or more	$1.10
2. Elsewhere in the state	1.00
(b) Minors under 16 years of age:	
1. In cities of 1,000 or more	.85
2. Elsewhere in the state	.75

On April 25, 1966 an advisory board was named to aid the Commission in reviewing the changes in wages and cost of living since the last minimum wage increase in order to determine if the present rates were adequate.

EMPLOYMENT AGENTS

Private employment agents are licensed under Chapter 105, Wisconsin Statutes, for annual periods of July 1 of one year to June 30 of the next.

During the period from July 1, 1964 through June 30, 1966, 18 new applications for licenses were received. After hearings were held, ten were granted licenses and four were denied. One applicant withdrew her application before the hearing.

Twenty licensed employment agents as of June 30, 1965 reported gross receipts of $419,169. Twenty-four licensed agencies as of June 30, 1966, reported gross receipts of $569,757.

PLACEMENTS MADE BY ALL LICENSED EMPLOYMENT AGENCIES

July 1, 1964 - June 30, 1965	8,721
July 1, 1965 - June 30, 1966	10,058

COMPLAINTS

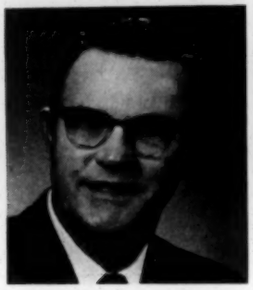
The Division of Labor Standards receives from 13,000 to 15,000 complaints each year by letter, telephone and in person. During a "relatively quiet" two-week test and recording period in September, the Division received 517 complaints as follows:

Agriculture Claims	2	Street Trades	4
Bad Checks	12	Canning Factory	6
Commissions Earned	25	Women's Hours	31

(table continued)

Deductions	24	One Day Rest in Seven	5
Discharge & Severance Pay	34	Homework	0
Holiday Pay	10	Private Employment Agents	4
Sick Pay	8	Prevailing Wage	1
Time & ½ after 40 Hours	40	Minimum Wage	28
Tips	2	Meals & Lodging	20
Vacation Pay	26	Coffee Break	16
Sex Discrimination	3	Wage Claims	144
Weight Lifting	10	Miscellaneous	12
Child Labor	38	Domestic Service Claims	12

Some of the complaints dealt with subjects over which the Division has no jurisdiction and many were not valid. Each complainant, however, must be courteously processed and all are time consuming.



DOUGLAS N. AJER

Director

Division of Labor Standards

ACTIVITIES AND ACCOMPLISHMENTS
JULY 1, 1964 TO JUNE 30, 1966

1. Public Contacts (all offices)
   - (a) Visitors to offices 102,488
   - (b) Phone calls received 121,880
   - (c) Letters sent 65,907
   - (d) Packages sent 4,768

2. Enforcement and field activities
   - (a) Number of general inspections 3,023
   - (b) Wage Claims investigated 402
   - (c) Complaints and referrals investigated 1,504
   - (d) Permit officer contacts 1,612
   - (e) Other contacts by deputies 1,285

3. Violations found
   - (a) Child Labor and Street Trades
     - Minors employed without the required child labor or street trades permit .. 1,618
     - Minors employed at prohibited employments 96
     - Minors employed in excess of the legal number of hours permitted per day and per week 1,039
     - Minors under 18 years of age employed more than 6 days per week 140
     - Minors under 18 years of age employed outside of time of day permitted by law and special orders 179
     - Minors employed in violation of meal period order 48
   - (b) Women's Hours
     - Women employed in excess of the legal daily or weekly limit of hours .. 2,619
     - Women employed in violation of meal period order 67
     - Special orders issued granting exception to regulations 711
     - Number of women affected by special orders 28,726
   - (c) Wage Adjustments
     - Number of women and minors receiving minimum wage 2,611
     - Amount of minimum wages received $131,492.05
     - Number of women and minors receiving overtime 2,619
     - Amount of overtime wage received ..... $ 44,492.47
     - Total amounts collected $175,984.52
     - Amount due on pending reports on July 1, 1966 ..... $ 28,896.44
     - $204,881.46
   - (d) Miscellaneous
     - Number of inspections where no violations were found 1,441
     - Number of employers not keeping proper records 1,080
     - Payment of wage not made as required by Section 103.39 105
     - Deductions from wages not listed 27
     - Number of employes in mercantile and manufacturing establishments without one day of rest in seven
       - Number of men 44
       - Number of women 7

PUBLICATIONS AVAILABLE

Labor Standards (LS-100): 1964
Employment of Minors in Wisconsin (LS-31) 1966
Summary of Wisconsin Wage & Hour Regulations (LS-69) 1966
Minimum Wage Regulations Chap. Ind 72 1966
Minimum Wage Poster (LS-39) 1966
Canning Poster (LS-48)
Wage Law — Payment and Collection (LS-43)
Regulations on Employment Agents (LS-80)

DIVISION OF INDUSTRIAL SAFETY AND BUILDINGS

THE primary responsibility of the Division of Industrial Safety and Buildings is to promote, within the limits of its jurisdiction throughout the state, a reasonable degree of safety for workmen, the public, and the visitors to all public buildings. This responsibility divides into three general functions:

The engineering functions include the examination of drawings, design calculations and specifications for projects of all kinds, but mostly for places of employment, and other public buildings.

The inspection functions include visits to places of employment to determine whether or not there is compliance with administrative code provisions.

Investigatory functions include field surveys to determine the cause of failures or malfunctions occurring in the specific fields of interest. When such accidents also involve personal injuries, either to employees or frequenters, the investigation includes interviews with all witnesses and the preparation of evidence for the legal proceedings that may follow.

The rules, regulations, and standards on which these functions are based are the Wisconsin Administrative Codes. These codes and functions can be grouped in eight general categories:

Boiler and Unfired Pressure Vessels
Building Design and Construction
Electrical
Elevators, Escalators and Dumbwaiters
Factory and Machinery Safeguarding
Mines, Quarries, Trenches and Tunnels
Petroleum Products and Fire Prevention
Ski-Tows and Amusement Rides*

REVENUE

Some sections of this Division are partly self-sustaining through fees collected for providing certain services. All revenue produced is deposited in the State General Fund and is not re-appropriated to the Commission. Hence, all operating funds for the Division depend on legislative appropriations.

*In a recent opinion the Attorney General advised that the commission's responsibility extended into the recreational equipment used in ski tows, aerial tramways, thrill rides, and automobile race tracks.

Authority for collecting fees is found in Section 101.10 (12) and (13) of the Statutes. The current fee schedule is found in Wisconsin Administrative Code, Chapter Ind 69.

REVENUE FROM FEES DURING THE BIENNIUM

ACTIVITY	FISCAL 1964-65	FISCAL 1965-66
Inspection of boilers, unfired pressure vessels and refrigeration plants	16,910.71	19,012.19
Examination and approval of drawings for buildings, heating and ventilating systems, building additions and alterations and fire escapes	166,616.62	192,488.15
Examination and approval of drawings for elevators, escalators, and dumbwaiters	5,092.78	4,135.96
Inspection of elevators, escalators, and dumbwaiters	12,768.00	12,255.00
Certificates of Competency (Boiler Inspectors)	1,180.00	1,300.00
Certificates of Competency (Elevator Inspectors)	660.00	850.00

BOILERS AND UNFIRED PRESSURE VESSELS

Boilers and pressure vessels operating at pressures in excess of 15 pounds per square inch must be designed, fabricated, repaired and inspected to meet established standards. Pressure vessels include boilers, air receivers, gas holders, and vessels containing refrigerants, anhydrous ammonia, and other liquids and gases in closed containers.

Wisconsin Administrative Codes applying in this category are: Chapters Ind 41 and 42 — Boilers and Unfired Pressure Vessels; Chapter Ind 43 — Anhydrous Ammonia; and Chapter Ind 45 — Mechanical Refrigeration.

A summary of work performed in this category for the biennium follows:

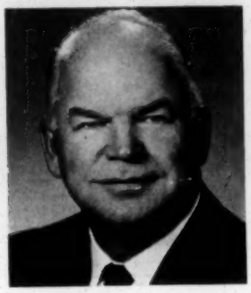
ACTIVITY	FISCAL 1964-65	1965-66
Boilers Inspected		
Internally	215	337
Externally	1,184	871
Pressure Vessels Inspected	230	153
Refrigeration Plants Inspected	985	992
Corrections Ordered	2,056	1,773
Boilers Condemned	3	8
Accidents Investigated	1	0
Shop Inspections (Fabrications)	72	83
* * * * * *		
Insurance Company Boiler Inspection Reports	4,723	4,215
* * * * * *		
Certificates of Competency issued to Boiler Inspectors employed by insurance companies.		
Certificates of Competency, renewed	183	188
Number of Applicants	13	15
Applicants Examined and Certified	16	18

BUILDINGS

Building construction plans reviewed and approved during the biennium represent over one billion 500 million cubic feet of building volume. The tabulations below show this volume by year and show the number of other projects for which drawings were submitted for examination and approval:

TYPES OF PLANS APPROVED — ALL PROJECTS

	FISCAL YEAR 1964-65	1965-66
TOTAL	8,595	8,785
General Building Drawings	3,999	4,010
Volume in 1000 cu. ft.	755,455	753,234
Heating & Ventilating Drawings	3,429	3,506
Volume in 1000 cu. ft.	563,810	622,009
Miscellaneous Drawings:		
Structures, submitted separately from general building drawings	378	328
Alterations and repairs for buildings and structures	476	510
Fire escapes — drawings submitted by fabricator	38	30



ROGER OSTREM
Director
Industrial Safety and Buildings Division

Industrial exhaust systems for dusts, fumes, vapors, gases and spray coating	221	220
Stadia, grand stands, bleachers	54	65

Building Safety Specialists employed in this section inspect building construction projects and existing buildings to determine that construction or structural changes are proceeding in compliance with commission-approved drawings. A tabulation of their collective activities follows:

NUMBER OF BUILDING INSPECTIONS AND FIELD INTERVIEWS

Fiscal Year	Building Inspections	Field Interviews
1962-63	7,990	1,340
1963-64	8,392	1,719
1964-65	5,644	1,607
1965-66	7,697	1,331

Wisconsin Administrative Codes enforced in this section are: Chapter Ind 20 — Dusts, Fumes, Vapors and Gases; Chapter Ind 21 — Spray Coating; Chapter Ind 22 — Sanitation; Chapter Ind 35 — Safety in Construction; Chapter Ind 50 and 59 — State Building Code and Heating, Ventilating and Air Conditioning; Chapter Ind 60 and 64 — Existing Buildings.

ELECTRICAL

During the biennium, a revision of Volumes 1 and 2 of the Wisconsin State Electrical Code was initiated. The Advisory Committee for this code held nine meetings. The revision will become effective in 1967.

The staff conducted 20 instructional meetings with electric utility personnel, electricians and contractors. An additional 210 meetings were held with individual local inspectors to assist them with code problems and inspections. A total of 172 field inspections were made with these local inspectors.

The staff reviewed 300 Underwriters' Laboratories Electrical Council reports for the purpose of providing code consultation to U. L.

Additional activities appear in the following table:

ACTIVITY	FISCAL YEAR 1964-65	FISCAL YEAR 1965-66
Accidents investigated	60	70
Fatalities	14	15
Field Inspections made	65	53
Orders cited	225	186
Interviews	760	915
Electrical plans reviewed	104	2,336

Jurisdictional Wisconsin Administrative Codes are: Wisconsin State Electrical Code — Volumes 1 and 2; Chapter Ind 16 — Electric Fence Code; Chapter Ind 19 — Illumination Code.

Electrical Code Volume 1 contains the regulations of the Industrial Commission and the Public Service Commission relating to electrical and communication lines and supply stations.

Electrical Code Volume 2 contains the regulations on electrical and communications equipment and wiring and lighting protection.

Chapter Ind 19 — Illumination Code contains the regulations on minimum lighting requirements in all public buildings and places of employment.

ELEVATORS — ESCALATORS — DUMBWAITERS MOVING SIDEWALKS — MOVING RAMPS

The Wisconsin Elevator Code, Chapter Ind 4, was reviewed and was amended in several parts during this biennium. In addition, the advisory committee developed and the Commission adopted a new code, Chapter Ind 44, entitled Personnel Hoists. A personnel hoist is defined as a temporary structure designed and installed primarily for the purpose of transporting personnel vertically on building construction projects.

ACTIVITY	FISCAL YEAR 1964-65	FISCAL YEAR 1965-66
Installations Inspected	2,024	1,860
Violations Discovered	3,568	4,201
Drawings Examined and Approved	278	239
Accidents and Injuries Investigated	17	43
Inspections Received from Insurance Companies	9,281	8,987
Violations Discovered	7,820	7,658

CERTIFICATES OF COMPETENCY AS ELEVATOR INSPECTORS ISSUED TO INSURANCE COMPANY PERSONNEL	FISCAL YEAR 1964-65	FISCAL YEAR 1965-66
Renewals	106	106
Applicants for Examination	11	14
Applicants Examined and Certified	4	8

FACTORY INSPECTION

Principally engaged in promoting safe working conditions in all places of employment, the staff of this section seeks out unsafe working conditions, confers with employers regarding them, and strives to effect compliance with the applicable administrative safety codes.

Some significant accomplishments for the biennium are as follows:

ACTIVITY	FISCAL YEAR 1964-65	FISCAL YEAR 1965-66
Inspections	5,003	4,561
Rule violations found	9,159	9,150
Injury cases investigated	2,190	2,481
Hearings and conferences	2,196	1,922
Injury reports analyzed	33,321	36,104

Wisconsin Administrative Codes enforced by this section are: Chapter Ind 1 — General Safety; Chapter Ind 20 — Dusts, Fumes, Vapors and Gases; Chapter Ind 21 — Spray Coating; Chapter Ind 22 — Sanitation; Chapter Ind 25 — Sanitary Facilities in Railroad Terminals and Cabooses; Chapter Ind 26 — Railroad Employees Welfare Facilities; Chapter Ind 35 — Safety in Construction.

MINES, QUARRIES, TRENCHES AND TUNNELS

The last deep iron mine in the Hurley area closed in 1964. During the biennium, however, two new zinc mine and ore treatment plants were opened in the Southwestern area of the state.

Inspection activities were set up for these mines and for the quarries and gravel pits that were opened up to keep pace with road building programs.

Other major sub-surface activities requiring constant watch include the deep sewer tunnels in metropolitan Milwaukee, sewer and water main projects, and the advancing natural gas pipelines.

ACTIVITIES	1964-65	1965-66
Mine Inspection	57	46
Trench-Tunnel Inspection	748	801
Quarry-Pit Inspection	1,060	923
Field Conferences	2,190	2,264
Injury Investigations	124	176

During the biennium Chapter Ind 5, the Wisconsin Code for Explosives and Blasting Agent was amended.

Other codes enforced in this section are Chapter Ind 2 — Quarries and Pits; Chapter Ind 3 — Mines; and Chapter Ind 6 — Trench, Excavation and Tunnel Construction.

PETROLEUM PRODUCTS

The chief function of this section and its staff is to minimize fire hazards particularly in the handling and storage of petroleum products including the liquefied petroleum gases. A secondary function is to determine what communities are eligible to share in the two percent fire insurance premium rebates. Eligibility requires a community to maintain a specific fire inspection program in conjunction with maintaining a bona fide fire department.

Activities during the biennium are as follows:

INSPECTIONS	FISCAL YEAR 1964-65	FISCAL YEAR 1965-66
Cleaning and Dyeing Plants:		
Number of Inspections	242	170
Hazards Discovered	23	49
Flammable Liquids:		
Number of Inspections	2,462	2,454
Hazards Discovered	1,398	1,796
Liquefied Petroleum Gases:		
Number of Inspections	562	506
Hazards Discovered	154	129
Fire Prevention:		
Number of Inspections	21	0
Hazards Discovered	32	0
Plan Approvals:		
Flammable Liquids	191	188
LP Gas	38	34
Cleaning and Dyeing	1	0

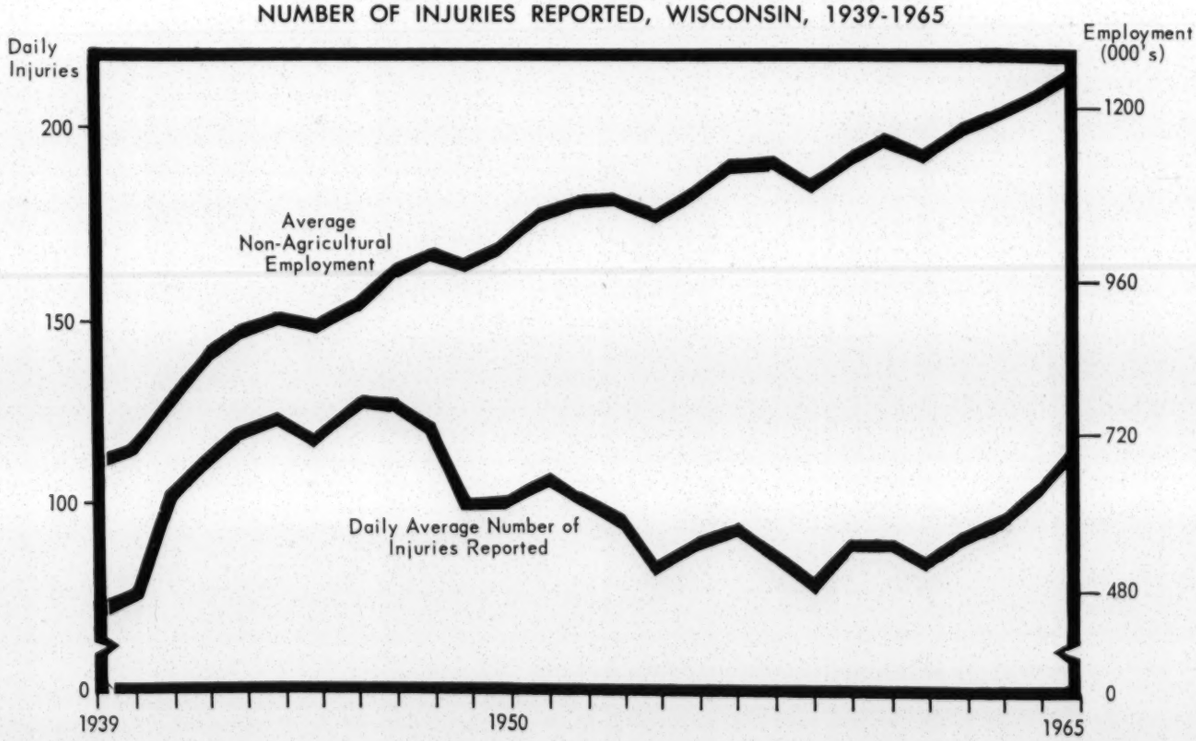
FIRE DEPARTMENTS IN CITIES, VILLAGES, AND TOWNS CERTIFIED AS ELIGIBLE FOR 2 PERCENT FIRE INSURANCE REBATE	FISCAL YEAR 1964-65	FISCAL YEAR 1965-66
Certified	663	692
Not Certified	24	18
The number of new fire departments established were	58	49

Wisconsin Administrative Codes enforced in this section are: Chapter Ind 7 — Cleaning and Dyeing; Chapter Ind 8 — Flammable Liquids; Chapter Ind 9 — Liquefied Petroleum Gas; Chapter Ind 65 — Fire Prevention.

"OPERATION SAFE PLACE"

During the past few years, the job injury frequency rate in Wisconsin has been rising at a faster rate than the growth of the labor force. To reverse this upward curve the Division initiated "Operation Safe Place" early in 1966, a plan of reorganization that will result in an intensified program for job safety. Funding for 28 additional inspector positions to carry out "Operation Safe Place" was passed by the Legislature in June and was awaiting the Governor's signature at the close of the biennium.

DAILY AVERAGE NONAGRICULTURAL EMPLOYMENT AND NUMBER OF INJURIES REPORTED, WISCONSIN, 1939-1965



WORKMEN'S COMPENSATION DIVISION

WISCONSIN has been a leader in the field of workmen's compensation since its law was enacted in 1911. During the past two years over 69,000 injuries were reported and over 38 million dollars was paid out for disability benefits and medical expense. Injuries in which disability does not exceed three days, need not be reported to the Industrial Commission and consequently there is no record of the medical expense in such cases. Payments made in such cases are in addition to the 38 million dollars.

The maximum weekly compensation rate for temporary disability and for permanent total disability was increased from $64.00 to $68.00 in 1965, while the maximum weekly rate for permanent partial disability was increased from $44.50 to $46.00. Over 1 million employes and approximately 65,000 employers are now subject to the Workmen's Compensation Act. Employers who have three or more employes are compulsorily subject while other employers may voluntarily elect to become subject. Farmers are subject if they employ six employes for 20 days in a calendar year. Domestic servants are not covered unless the employers voluntarily choose to do so.

Liability under the Workmen's Compensation Act is the exclusive remedy of the employe against the employer and does not depend upon negligence. Employers who are not subject to workmen's compensation may be sued at common law upon a showing of negligence resulting in injury to an employe. The Wisconsin law provides for direct payment of compensation without formality or written agreement. This assures speed in payment so that approximately 86 percent of all first compensation checks are paid within 15 days of the date of injury. When permanent disability results, payment continues on a weekly basis for conceded disability.

Payment Records Checked

For many years the Commission has conducted an energetic campaign to make certain that payments of compensation are made promptly. This information is recorded and published for the interested parties with the result that promptness in payments is the constant goal of insurance carriers.

Employers are required to report compensable injuries to the commission. Self-insured employers and insurance carriers are required to make subsequent reports as to payment. Employers make first reports on the fourth day after commencement of disability of an accident or occupational disease entitling an employe to compensation. On the eleventh day a report is required showing that payment has commenced, or else gives the reason for non-payment. When payments are discontinued for any reason, another report must be submitted and, if dispute exists, a statement must be attached advising of the nature of dispute. When final payment is made it is reported to the Commission and accompanied by a receipt signed by the employe. Physicians' reports are required where temporary disability exceeds three weeks or where any permanent disability results. Reports are used as a check against each other and a follow-up system is employed to see that they are supplied promptly to the Commission.

When the Commission's Safety Division believes that injury may have been caused by a violation of a general order on safety, it is investigated by a deputy of the Commission. If this investigation discloses that injury was due to the employer's failure to comply with a safety order or law, the employer is so advised. In such cases the employer is required to pay 15 percent increased compensation for which insurance cannot be provided. If liability is disputed, the matter is scheduled for formal hearing. Cases involving employment of minors in violation of the child labor law or at prohibited employment, entitles them to double or treble compensation and are handled similarly.

Uncontested Cases

Of the 69,000 cases reported in the last two years over 51,000 cases were found to be compensable. In over 94 percent of these cases adjustment was reached without hearing. Many questions are adjusted through correspondence or through informal conference between the parties and the Commission. The Commission attempts to keep all parties fully informed as to their rights and duties, thus avoiding issues which otherwise might be raised. All cases in which adjustment is reached without formal action are termed "uncontested."

The Commission adheres to its policy of not approving final settlements in "uncontested" cases. Careful

inquiry is made to make certain that settlement is effected in accordance with the requirements of law. This requires careful examination by employes with good knowledge of the compensation act, court decisions, and administrative procedure. Where no formal action has been taken by the Commission a case may be reopened within six years from the date of the last payment of compensation. The law provides for compromise settlements, which must have the approval of the Commission. Unless approved they have no effect. If approved they may be reviewed within one year and confirmed or set aside. Compromise settlements are not approved except where a valid dispute is shown to exist and where payment of less than the full claim appears to be justified.

Contested Cases

Formal hearings are necessary in less than 6% of the cases. Hearings in such cases are conducted by trained law examiners, who make findings and enter orders. Their findings and orders are reviewable by the Commission, upon request of either party, as to both law and fact. The Commission's decision is reviewable by the Dane County Circuit Court and the Supreme Court on questions of law only.

From July 1, 1964 to July 1, 1966, the total number of petitions for review from examiners' decisions to the Commission as a body was 763.

Contested cases are brought to hearing by application for adjustment of claim by either party or upon the Commission's own motion. Hearings are conducted at county seats and industrial cities throughout the state, avoiding expense to parties in bringing witnesses to Madison. A complete stenographic record is made of testimony taken, although proceedings are otherwise of an informal nature.

When no petition for review is filed within 20 days from the making of the order by the examiner, the order automatically becomes that of the Commission as a body. Appeal may be taken to the Circuit Court of Dane County within 30 days following the Commission's order upon review. From the decision of the Circuit Court, appeal lies to the Supreme Court.

Compensation Insurance

The Industrial Commission has two duties with respect to compensation insurance: (1) it must see that employers subject to the compensation act insure their risk unless permitted to self-insure, and (2) it must pass upon applications of employers for exemption from the obligation to insure.

It is roughly estimated that perhaps 5,000 employers

RALPH GINTZ

Director

Workmen's Compensation Division

in Wisconsin subject to the compensation act have not provided insurance, some innocently and some intentionally violating the law. The Commission has, in the past to a limited extent, undertaken the task of canvassing employers to make certain that insurance is carried by them when subject to the act. This is an important service, both to employers and employes. Employers who innocently violate the law have the right to know their status and to protect themselves from large awards which may be made in case of injury to employes.

The Commission's work in this field is facilitated by the statutory provision that insurance companies must file reports upon all compensation policies issued. This makes it possible for the Commission to see that employers who have taken out policies keep insurance in force. It also makes it possible to check lists of employers to determine which of them have failed to insure. This work involves a great amount of detail in checking records of approximately 65,000 employers in Wisconsin who carry compensation insurance.

The duty of determining when employers may carry their own risk under the compensation act involves less work but is equally responsible. There are approximately 150 employers operating under order of the Commission permitting them exemption from carrying insurance, but these employers had slightly less than one-fifth of the payroll of the state. No employer is permitted to carry his own risk until he has filed with the Commission a sworn statement of assets and liabilities indicating that he is financially so situated that he can meet any claim which might reasonably arise. New statements are called for periodically. And, there is a periodical review of qualifications. In numerous instances the procuring of insurance or the deposit of securities to guarantee payment of compensation benefits is required. Employers are not permitted the privilege of self-insurance except as they measure up to the legal requirements as to reporting, investigating, and paying compensation claims, as well as showing a strong financial condition.

Georgia

over

SUMMARY OF SUGGESTED CHANGES IN THE 1966 WORKMEN'S COMPENSATION ACT

This Summary analyzes only those Sections of the Act which are changed.

114-101 Redefines Employer and Employee by striking the words counties with over 300,000 and places all school district employees, whether incorporated or under county control, and all hospital authorities where any part of money is obtained from County, City, State or tax funds under the Act.

114-103 Amended. Where the case is held not to be under the Workmen's Compensation Act, the common law rights shall prevail. Statute will not outlaw claim once it is filed, and pending any appeal.

114-106 Amended, and put back as before amendment of 1963 (encourages settlements).

114-107 Amend and have Workmen's Compensation cover all Employers with three (3) instead of ten (10) employees.

114-112 Amend. Clarifies **"same extent as the immediate employer"** to cover principal, intermediate and subcontractors with three (3) employees engaged on any part of work of job.

114-102 Amended. If deceased has worked less than a full week, the hourly wage, where applicable, shall be multiplied by the regular hourly work week of employees in the like industry in the territory involved to arrive at hourly wage.

114-403 Amended. No subrogation where injured employee or dependents (in case of death) have action against any third parties.

114-404 Amended. **Total incapacity.** Raise weekly benefit from 60% to 66-2/3% of weekly wage. Raise $37 weekly benefit maximum to $50. Add $3 for each dependent child, not to exceed four or $12, under 18 years of age or handicapped. Substitute $18 for $14 as lowest weekly compensation rate. Keep 400 week period but strike limit of $12,500, thereby making a limit or death claim of $20,000.

114-405 Amended. **Partial incapacity.** Raise weekly benefits from 60% to 66-2/3% of weekly wage. Raise weekly maximum benefit from $30 to $36. Raise 350 weeks benefit payments not to exceed 400 weeks.

114-406 Amend. Claimant shall be paid under 114-404 until he is able to obtain gainful employment or his percentage of permanent handicap can reasonably be determined (instead of maximum of 10 weeks) at which time he shall be paid same weeks as now except pay 225 weeks for arm, and wherever any part of arm above wrist is removed, the loss shall be considered as the whole arm, and wherever any part of the leg above the ankle is removed, it shall be considered the loss of the entire leg.

114-410 Conform to 114-406 and raise number of weeks from 350 to 400, and maximum total of $20,000.

114-412 Amend hernia provisions so, if hernia appears within seven (7) days, it is compensable. (Strike **suddenly** and **immediately** after accident) from Act. Keep **accident, pain** and no prior existence.

114-413 Amend by keeping widow's 85% of compensation (same as now), and add $3 for each dependent child not to exceed four children or $12 a week additional.

114-416 Amend so where compensation paid monthly, or semi-monthly, to be paid in middle of period.

114-417 Amended. Lump sum payments only where agreed or in hardship cases where used to pay off mortgage, or pay secured debts accumulated prior to injury, and in cases where widow and/or minor children's veteran benefits are affected by workmen's compensation.

114-419 Amended. If two or more insurance carriers have coverage for same employer, to make both liable if both had coverage. If one enters into Agreement to Pay and the other remains silent, the one agreeing to pay shall have subrogation rights against the other for proportionate amount of the money paid out.

ILA 1414 Savannah
cf to Fed Boat

Rate fixing —
Insurance Commission
W.C. Bd. advises

Nothing to induce prompt payment in Ga.
after 2 yr. fight no penalty
Some States (Wis.)
if doesn't pay, they pay attyn fees & costs —
Must come from legislr —
Courts (elective) won't do it & make laws made —

$38M paid or "to be paid"
actually spent $6M

Insurance companies must recover "take" in premium

Could use a State fund —

Cases settled — 99% [speed?] 160T claims 1965
contested — 911 hearings

Lowry tries to get to raise benefits — the rest can wait

114-501 Amended. **Medical.** Unlimited medical costs with claimant having right to pick own doctor with approval of Workmen's Compensation Board. Employer having right to petition Board for change of doctors. Workmen's Compensation Board having complete control of medical arrangements and costs.

114-503 Amend to add "restricted to reasonableness as to travel for examination purposes, and to be approved prior by Workmen's Compensation Board."

114-603 Eliminates the word **"wilful"** and penalizes employer for failure to file required forms, etc. by assessing 10% penalty attorneys fees, and costs.

114-616 Provides penalty of 10% and attorneys fees and costs for failure to file agreements relative to Workmen's Compensation or death benefits within ten (10) days of execution, and subject to revocation of permit by Board after hearing.

114-706 Amend. If the employer or his insurance carrier fail to reach an agreement to pay compensation within 30 days after receiving notice of such injury, arising out of and in the course of the employment, it shall be held to be automatically controverted and if it is unsuccessfully defended, all cost including witness fees and a reasonable attorney's fee shall be added in addition to the compensation benefits due with the Compensation Board having the right to excuse the same in extreme cases (stops wrongful practices and forcing unfair settlements).

114-709 Amended. Changed to read as before 1963 amendment, and provides reopening of claim within two (2) years where a change in condition occurs.

114-710 Appeals to Superior Court to correct unconstitutional change in 1963 (Code Sec. 2-3708, 108 Ga. Appeals 68).

114-711 Amend to restrict to an order or award unappealed from and if more than one year has elapsed since judgment or award became final, then only after a new hearing by Board and a showing that there has been no change of condition (prevents stale judgments on old awards).

114-715 Amend to read (Board) "shall hear all questions arising under this Title and shall have exclusive jurisdiction of all of the same with the right of appeal as set out in 114-710."

114-716 Failure to make report in time specified subject to penalty of 10%, costs and attorney's fees.

114-717 Adds on section: All moneys assessed against insurance companies or self-insurers be deposited in the State Treasure to the credit of the Workmen's Compensation Board. Administration Fund balances, at the end of any appropriation period shall not revert to the general fund or any other fund but shall remain the property of the State Board of Workmen's Compensation and shall be used only for their expenditures.

114-719 **New Section.** Anyone failing in thirty (30) days after injury or death to agree or offer to agree on compensation, and file within ten (10) days such offer, Board upon finding liability for injury or death shall assess 10% penalty, costs and attorney's fees.

114-720 **New Section.** If no agreement reached, or if after agreement payments are discontinued, either party may ask for hearing. Where employee has agreed to accept award or less than award, on a supplemental hearing Board may assess 10% penalty, costs and attorney's fees.

114-9905 **New Section.** Misdemeanor to fail to cover employees by insurance or self-insurer, as required under the Act.

114-9906 **New Section.** Misdemeanor to fail to file reports, agreements under the Act, as required.

Ga: if need benefits . . .
where get money — savings
from shift in who gets benefits

Blue Ribbon Study Committee

Mich.

5 man — Public
+ 2 each Union & mgt. but no Vote

Lowry (Ga.) proposes some form of Blue Ribbon
"worried" about White Collar, non Union, person —
maybe he should set on Committee —

Gov. appoint — men fairly & seriously interested —

When talking about benefits (Paying the freight)
can leave insurance co. out [EV — But they see themselves as agents, employees of mfgs. ?]
Consumer pays cost — passing on of tax —

*

Need full time director for Committee —
long range Committee —

*

Labor member — Judge ~~Burger~~ Buckner
1) #37 / insufficient
2) too much time between accident & payments
3) The medical is in sufficient (2500)
4) Dependent allowances
5) Too much litigation & too much money spent this way.
What are attys fees — how regulated —

* Choice of physician (free choice, panel co. selected) co. nurse problem

Length of Medical Care

French Twitty — Comp. Law — knows how to set Stage
"Bona Fide dispute" clause (now gets 25% of all litigation)
Twitty to come see me first or not at all — not after going to another attorney —

Workmen's compensation, on-the-job insurance

Your safety at work is one of your union's major concerns. Safe working conditions have been key bargaining issues in contract negotiations for many years.

Most IAM contracts include clauses that give a worker the right to refuse unsafe jobs. Many require employers to furnish safety equipment and protective clothing. Other agreements establish joint safety committees to set and maintain the highest possible safety standards in the shops.

Despite these and other safety efforts of labor and industry, accidents happen. Last year, more than 2,000,000 workers were injured and more than 15,000 were killed on their jobs.

Today, because of the efforts by trade unions, the cost as well as the number of accidents have been reduced. All 50 states now have workmen's compensation laws that provide weekly benefits for workers temporarily or permanently disabled by work-related accidents. But only 27 states, the District of Columbia and Puerto Rico require all employers, regardless of size, to provide compensation benefits. In the 23 other states, most of which are so-called "right-to-work" states, employer participation is optional. Workers in these states must resort to the nineteenth century method of suing their employer for damages.

Laws requiring compensation for injured workers began in Europe around 1880. The first workmen's compensation law in this country was enacted by the Federal Government in 1908 for some of its employees working hazardous jobs. In 1911, Wisconsin enacted the first state law.

Before workmen's compensation laws, an injured worker could get benefits during his disability only by suing his employer. The worker had to prove that his accident was caused by his employer's negligence. The purpose of workmen's compensation laws was to eliminate court battles and provide benefits regardless of fault.

Workmen's compensation laws vary widely in coverage, cash benefits, medical care and administration. Some states have special compensation funds while in others, employers insure their workers through commercial insurance companies. As shown in the adjacent table, the compensation laws and benefits are best in states where trade unions are strong. Where unions are weak, and employer interests dominate state legislatures, workers are shortchanged.

Do's and don't's if you are hurt on the job

Do report the accident and injuries to your foreman and your union steward.

Do notify your employer that you intend to file a claim for workmen's compensation.

Do get a written statement from all persons who saw the accident with their names and addresses. If your injury prevents you from doing this, your union steward will do it for you.

Do check your IAM contract. In addition to workmen's compensation, you may also be entitled to additional benefits under terms of the union contract.

DO

Don't sign any blank papers or forms.

Don't give any written statements concerning the accident or injury beyond necessary reports required by the Workmen's Compensation Agency.

Don't accept the employer's decision on your eligibility for compensation benefits. If questions arise, check with your IAM representatives.

Don't rush out and hire a lawyer. Most workmen's compensation cases can be settled without a lawyer. If legal complications arise, your IAM lodge will refer you to a competent lawyer.

DON'T

Benefits are paid weekly, based in most states a

Temporary total disability =

State	Weekly Maximum	Time Limit
Alabama	$38	300 weeks: 400 weeks for PT disability
Alaska	$100: $65 for PT	Duration of disability
Arizona	$150 for TT and PT $126.92 for PP $2.30 additional for dependents under TT	433 weeks for TT; duration of disability for PP; Life for PT
Arkansas	$38.50	450 weeks
California	$70 for TT $52.50 for PT for 400 weeks, thereafter $48.46 for life; $52.50 for PP	240 weeks for TT; 399 weeks for PP; 400 weeks for PT, thereafter a lifetime benefit of 60% of average earnings when injured, $48.46 maximum
Colorado	$49	Duration of disability for TT and PP; Life for PT
Connecticut	55% of State's average production wage ($65 as of October 1, 1966)	During disability for TT and PT; 780 weeks for PP
Delaware	$50	During disability for TT and PT; 300 weeks for PP
District of Columbia	$70	During disability
Florida	$42	350 weeks for TT and PP; During disability for PT
Georgia	$30 for PP $37 for TT and PT	350 weeks for PP; 400 weeks for TT and PT
Hawaii	$112.50	During disability
Idaho	$32 to $52 with dependents for TT and PT; $30 for PP	400 weeks, thereafter $15 a week, $18 with wife, and $4 to $15 for dependent children for duration of disability; In proportion to schedule injuries for PP
Illinois	$62 to $76 for TT, according to number of dependents; $56 to $68 for PT and PP	64 weeks for full amount for TT, $56 to $68 for thereafter; 8 years (417.43 weeks) for PP; life for PT
Indiana	$45	500 weeks, thereafter payments may continue for indefinite period for PT disabilities
Iowa	$40 to $56 for TT $47.50 for PP and PT	300 weeks for TT 500 weeks for PT For PP disability, in proportion with PT disability (500 weeks)
Kansas	$42	415 weeks
Kentucky	55% of 85% of State's average weekly wage, ($44); 50% of 85% for PP, ($40)	400 weeks for PP 425 weeks for TT and PT
Louisiana	$35	300 weeks for PP and TT; 400 weeks for PT
Maine	Two-thirds State's average weekly wage ($59.81 as of June 1, 1966)	300 weeks for PP During disability for TT and PT
Maryland	$25 for PP; $55 for PT and TT	208 weeks for TT; during disability for PP and PT
Massachusetts	$58, plus $6 for each total dependent; $20 additional for schedule PP injuries	During disability
Michigan	$61 to $92 for TT and PP; $61 to $86 for PT; (New TT benefits after September, 1967—$64 to $93)	During disability
Minnesota	$45	350 weeks; duration of disability for PT
Mississippi	$35	450 weeks
Missouri	$47 for PP and PT $52 for TT	400 weeks for TT and PP; 300 weeks for PT, thereafter 40% of wages for duration of disability. ($30 maximum)
Montana	$35 to $56, according to number of dependents	300 weeks for TT 500 weeks for PP and PT
Nebraska	$42	300 weeks for PT and TT, thereafter 45% of wages for duration of disability, ($34 maximum) 300 weeks for PP
Nevada	$27.69 for PP; $43.50 to $60.23 for PT, according to dependents; $52.50 to $72.69 for TT	429 weeks for PP 433 weeks for TT Life for PT
New Hampshire	$48.50 for schedule PP, $50 for non schedule PP; $50 for PT and TT	312 weeks for TT and PT, with annual extensions possible; 341 weeks for PP

EVC

Protection for workers. W-C

Benefits state by state

based in most states on two-thirds of a worker's wage rate. Most union members would qualify for the maximum.
ary total disability = TT Permanent partial disability = PP Permanent total disability = PT

Time Limit	Waiting Period	Burial Allowances
300 weeks: 400 weeks for PT disability	7 days	$400
Duration of disability	3 days	$1,000
433 weeks for TT; duration of disability for PP; Life for PT	7 days	$300
450 weeks	7 days	$500
240 weeks for TT; 399 weeks for PP; 400 weeks for PT, thereafter a lifetime benefit of 60% of average earnings when injured, $48.46 maximum	7 days	$600
Duration of disability for TT and PP; Life for PT	7 days	$500
During disability for TT and PT; 780 weeks for PP	3 days	$500*
During disability for TT and PT; 300 weeks for PP	3 days: none if hospitalized at time of injury or injury is amputation	$700
During disability	3 days	$400
350 weeks for TT and PP; During disability for PT	7 days	$500
350 weeks for PP; 400 weeks for TT and PT	7 days	$500
During disability	2 days, (TT only	$1,000
400 weeks, thereafter $15 a week, $18 with wife, and $4 to $15 for dependent children for duration of disability; In proportion to schedule injuries for PP	7 days	$500
64 weeks for full amount for TT, $56 to $58 for thereafter; 8 years (417.43 weeks) for PP; life for PT	7 days, (TT only)	$750
500 weeks, thereafter payments may continue for indefinite period for PT disabilities	7 days (TT only)	$750
300 weeks for TT 500 weeks for PT For PP disability, in proportion with PT disability (500 weeks)	7 days, TT, PT and temporary partial	$500
415 weeks	7 days	$600
400 weeks for PP 425 weeks for TT and PT	7 days	$500
300 weeks for PP and TT; 400 weeks for PT	7 days	$600
300 weeks for PP During disability for TT and PT	7 days	$450
208 weeks for TT; during disability for PP and PT	3 days	$500
During disability	5 days	$1,000
During disability	7 days	$750
350 weeks; duration of disability for PT	7 days, (Temporary disability only)	$750
450 weeks	5 days	$350
400 weeks for TT and PP; 300 weeks for PT, thereafter 40% of wages for duration of disability. ($30 maximum)	3 days	$650
300 weeks for TT 500 weeks for PP and PT	7 days	$500
300 weeks for PT and TT, thereafter 45% of wages for duration of disability, ($34 maximum) 300 weeks for PP	7 days	$500
429 weeks for PP 433 weeks for TT Life for PT	5 days	$650**
312 weeks for TT and PT, with annual extensions possible; 341 weeks for PP	7 days	$800†

State	Weekly Maximum	Time Limit	Waiting Period	Burial Allowances
New Jersey	$40 for PP; $45 for TT and PT. (2/3 of State's average weekly wage for TT and PT, effective March 1, 1967)	300 weeks for TT 550 weeks for PP 450 weeks for PT Lifetime benefits paid for some PT disabilities	7 days	$750
New Mexico	$40	500 weeks	7 days	$750
New York	$60	During disability	7 days	$400
North Carolina	$37.50	300 weeks for PP; 400 weeks for TT and PT, up to 500 weeks for two PT disabilities in the same employment. Lifetime benefits in some cases	7 days	$400
North Dakota	$31.50 for PP; $50 to $65 for TT and PT, according to number of dependents	During disability for TT and PT; 450 weeks for PP	5 days	$300‡
Ohio	$56 for the first 12 weeks of TT disability, thereafter $49; $49 for PP and PT	During disability for TT; life for PT	7 days	$500
Oklahoma	$37.50 for PP; $40 for TT and PT	500 weeks for PP and PT; 300 weeks with extensions up to 500 weeks for TT	5 days	None
Oregon	$39.23 to $73.85 for TT and PP; $35.77 to $70.38 for PT; all amounts based on number of dependents	During disability for TT and PT; in proportion to schedule injuries for PP	3 days, (TT only)	$600
Pennsylvania	$52.50: $42 for non schedule PP	During disability for TT and PT; 350 weeks for PP	7 days,, no waiting period for schedule injuries	$750
Puerto Rico	$35 for TT and PP $20.76 for PT	During disability for PT; 312 weeks for TT; 450 weeks for PP	3 days	$200†
Rhode Island	$45 if receiving benefits under State disability act; $50 to $62 if not receiving benefits for TT and PT; $30 for schedule PP, $22 for non schedule PP	800 weeks for PP; Duration of disability for TT and PT	3 days, total disability only	$750
South Carolina	$50	300 weeks for PP; 500 weeks for TT and PT	7 days	$400
South Dakota	$42	312 weeks for TT and PP; 300 weeks for PT, thereafter 30% of earnings for life ($15 maximum)	7 days	$750†
Tennessee	$38	400 weeks for PP 550 weeks for PT During disability for TT	7 days	$500
Texas	$35	401 weeks for TT and PT; 300 weeks for PP	7 days	$500†
Utah	$42 to $60	312 weeks for TT and PP; 260 weeks for PT, thereafter 45% of weekly wages ($42 maximum)	3 days	$525
Vermont	$41, plus $2.50 for each dependent under 21 for TT and PT; $41 for schedule PP, $21 for non schedule PP	330 weeks	7 days	$500
Virginia	$45	300 weeks for PP 500 weeks for TT and PT	7 days	$300
Washington	$42.69 to $81.23 for TT and PT; in proportion to PP schedule of injuries	During disability for TT and PT; in proportion to PP schedule of injuries	3 days	$600
West Virginia	$42	208 weeks for TT; 336 weeks for PP, (Lifetime benefits for PP disability of over 85%) Life benefits for PT	7 days	$300
Wisconsin	$68 for TT annd PT; $46 for PP	1,000 weeks for PP; During disability for TT; Life benefits for PT	3 days	$500
Wyoming	$40.38 to $60 for TT; $30 to $46.15 for PP; $28.85 to $34.62 for each child under 18 or handicapped children under 21	During disability for TT In proportion to schedule injuries for PP	3 days, (TT only)	$600
Federal Employees	$331.92	Duration of disability for TT and PP; Life for PT	3 days, temporary disability only	$800§

** $1,000 if expense is assumed by non dependent member of immediate family.*
*** Additional $100 for transportation of deceased and accompanying person.*
† If no dependents.
‡ Additional $100 for transportation if needed.
§ Transportation provided for employees assigned away from place of burial.

Our goals in workmen's compensation

Many experts believe that in all but a few states workmen's compensation laws have failed to deliver what workers were originally promised: swift, certain and adequate benefits for job-connected injuries.

Undoubtedly the most desirable solution would be a federal workmen's compensation law setting uniform standards and benefits in all states. However, this is politically unattainable. Enormous profits have given private insurance companies a powerful vested interest in state administration of workmen's compensation. To improve existing workmen's compensation laws we seek:

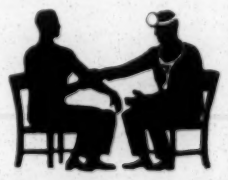
► Full and compulsory coverage of all workers;

► Generally higher benefit levels with the weekly maximum to equal not less than ⅔ of the state's average weekly wage;

► Full coverage of occupational diseases including those caused by radiation;

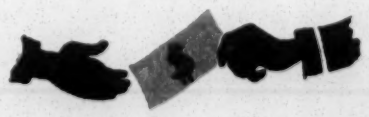
► Full payment of medical costs and provisions for complete rehabilitation and retraining of permanently disabled workers;

► Free choice of physician by the injured employee;



► Insurance through a state-operated workmen's compensation fund rather than private companies;

► Non-political administration aimed at swift and certain payment of benefits with judicial review strictly limited to substantial questions of law.



(See back of W.C. Leaflet)

14

Union Admin

Stewards record accidents
See Sheet — aim at less than 3 day abs.

Attys — "retainer" or arrangement to meet regularly — Regular night — Answer questions
Cond to injured — Basic rights — Seek Counsel

Co. report immediately to Union (in the K)
Any case that reports to Ind. Com.
Still leaves the un-reported cases

Witnesses

To Accident
Report to Co. & Nurse
— Read what is written
Request for "panel" of M.D.'s

Co. may take pix, etc.

The better the Union program, more responsible the Co.

Nature of Unions (from Otto Kahn-Freund's Trade Union Democracy & the Law)

Tends to equate participation with Dem. at opening
Shows that bigness, affluence, reliance on Technicians, achievement lessens participation

Unions have most problems of dem in common with other organizations including political org.
But there is less choice in whether someone is "a wrong sort" this is not of difference
So Unions not comparable to other org. — more like political

2 main roles of Unions in dem — "Constitutional" roles
1) Pressure — and especially pressure in a party
2) "Legislation" — Viewing Col. Barg. as legis — the principle laws relating to how people make a living.
Legally prohibited in U.S.; Politically protected in Britain

So justifies public concern in internal affairs
But balance need to have interest representation & a fighting organization (Strike is a part of Col. Barg.)
Perhaps L-G, attack of adversaries of unions, may have good result of consolidating union democracy.
Danger of moving from public interest in a priv. interest exercising a pub. function and making Unions into a part of govt'l machinery.

School for Workers
University of Wisconsin

Points for a Local Union Workmen's Compensation Program

1. Every steward should investigate all injruies in his department. He should see that:
   a. Injury is reported to the company authorities, at once.
   b. Employee receives immediate medical attention.
   c. He (the Steward) makes a full record of the injury including name of the injured, address, date, time, description of the injury, and other details.

2. A committee of the local should be designated to carry the responsibility for workmen's compensation cases in the local -- either an existing committee or a new committee -- such as a Welfare Committee, Health & Safety Committee, Union Counseling Committee, Workmen's Compensation Committee, etc.

3. A copy of the Steward's Injury Report should go to the committee handling workmen's compensation cases.

4. The committee should investigate case at once to see that the injured member:
   a. Receives proper medical attention
   b. Receives all benefits immediately due him.
   c. Receives information about legal rights and instruction in procedure.

5. Member should be instructed to contact committee when company proposes a settlement or in six months.

6. Committee record of the case should be filed so that case will be checked again in six months and contact with member can again be made to see what progress is made on the case, so legal time limits do not expire.

7. At the time of final settlement member and the committee should get together so that offer can be reviewed in the light of legal rights of member and so that he has opportunity to obtain legal counsel, if necessary.

8. The Steward should also follow through on each case he has reported and see that either the committee is taking care of it or see that necessary assistance is available.

9. Committee should carry on an educational campaign in local as to member's rights and benefits under the Workmen's Compensation law using the membership meetings, publications, bulletins, and other means available. They should also thoroughly learn the law and its interpretation and follow proposed changes in the law and recommend improvements to their local and international unions (here specific example cases will be important).

GUIDE TO WISCONSIN'S WORKMEN'S COMPENSATION LAW
(Prepared by Ruth Zubrensky, School for Workers,
The University of Wisconsin Extension Division)

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GUIDE TO WISCONSIN'S WORKMEN'S COMPENSATION LAW
(Prepared by Ruth Zubrensky, School for Workers,
The University of Wisconsin Extension Division)

A. WISCONSIN PASSED THE FIRST WORKMEN'S COMPENSATION LAW IN 1911

The first state workmen's compensation law in the country was passed by the Wisconsin Legislature in 1911. Its purpose was to furnish reasonable benefits to an employee who was injured on the job. Such benefits consisted of (a) compensation for medical treatment necessary because of the injury and (b) compensation for lost wages and for permanent injury or (c) in case of death immediate compensation to his dependents. In 1919 the law was amended to include compensation for occupational disease. Another purpose of the law was to cut down on industrial accidents by making the employer pay for workmen's compensation. The thought was that by making injuries expensive for the employer, this would stimulate him to find ways to cut down on the number of accidents by introducing safety devices and safety measures.

B. BEFORE 1911 A WORKER HAD TO SUE HIS EMPLOYER IN COURT TO COLLECT DAMAGES

Prior to the enactment of the workmen's compensation law, the only way an injured employee could recover any of his expenses was to start a law suit against his employer and try to collect damages through the courts. (Unless the employer was willing to pay medical costs and lost wages out of his own pocket). The court's attitude, dating back to English common law, was that a person could not recover money for an injury unless the injury was caused through the fault of the employer and no one else. If the individual employee was at fault, or a fellow-worker, or if no one was at

fault, the employee could not collect. So that collecting damages for an industrial injury was often a long, costly, bitter contest between the employer and the employee to prove who was at fault.

C. WORKMEN'S COMPENSATION IS PART OF SOCIAL WELFARE LEGISLATION

In the early 1900's the feeling grew that a worker should not have to bear the total cost or burden of an industrial accident alone. Should not society, through legislation, make provision for the injured worker regardless of fault? Workmen's compensation legislation was the beginning of what we now call social welfare legislation -- the protection through governmental action, of the individual in society against such common risks as industrial accident, old age, unemployment and illness. The cost of industrial accident and disease became the responsibility of the employer in particular and society in general. The employer, by figuring the cost of workmen's compensation in his over-all cost of production, passes the cost on to the consumer. Therefore, society as a whole bears the ultimate cost, but the initial cost is the employer's.

D. EMPLOYER MUST BE "SELF-INSURED" OR TAKE OUT INSURANCE POLICY

The workmen's compensation law directs the employer to take out insurance against the day when one or more of his employees may be injured or suffer disease arising out of the employment situation. Most employers carry insurance with a commercial insurance company. Insurance companies do the actual paying out of medical expenses and weekly benefits to the injured employee or dependents and play a major role in settling compensation cases. Where employers are self-insured, benefits are paid directly to the injured employee or dependents.

E. INJURY DEFINED IN THE LAW AS ANY MENTAL OR PHYSICAL HARM

The workmen's compensation law defines an injury as mental or physical harm of any kind whether due to accident or disease, including accidental damage to or destruction of artificial members, dental appliances and teeth. In addition, where there has been personal injury, hearing aids and eye glasses may be replaced.

Mental Harm

Examples of mental harm are nervous disorders, hysteria, traumatic neurosis and effects of brain hemorrhage caused by an industrial accident.

Physical Harm or Injury

Common types of industrial injuries are bruises, burns, scalds, cuts, fractures, crushing injuries, hernias, sprains, strains, stiffness, amputation, loss or paralysis of part of the body, sudden loss of hearing, sudden loss of vision, disfigurement.

Occupational Disease (May Include Deterioration of Bodily Function)

Examples of certain types of occupational disease are dermatitis (skin trouble), infection, silicosis, tuberculosis, pneumonia, undulent fever, lead poisoning and respiratory disease. In addition, occupational disease includes deterioration of bodily function or loss of hearing caused by exposure over a period of time to conditions which result in physical damage or occupational deafness. Hernia and back trouble caused by repetitive motion or repeated strain over a period of time may be considered an occupational disease under the law.

Eye Glasses and Hearing Aids

Eye glasses and hearing aids may be replaced only where there has also been a personal injury entitling the employee to medical treatment or payment of workmen's compensation benefits. Otherwise, if a pair

of glasses drops to the floor, with no personal injury, there is no payment nor replacement.

F. AN INJURY OR DISEASE MUST ARISE OUT OF EMPLOYMENT

The law states that a worker is entitled to workmen's compensation benefits, "where, at the time of injury, the employee is performing service growing out of and incidental to his employment." The employee must show that he was injured while doing some activity related in some way to his employment. In order to get workmen's compensation, injury or disease must arise out of the work situation and cannot be intentionally self-inflicted.

Injured on the Job

The most frequent types of accidents which occur on the job are where an employee is struck by a falling or moving object, where he slips or falls, or where he strains himself or over-exerts himself in his work. Workmen's compensation should be paid for all these types of cases. However, sometimes the facts are in dispute and the employer or insurance company will question or deny the claim. (See later discussion of Stipulation-of-facts Agreements, Compromise Agreements and Hearings).

Injured While Going to and from Work

The only time that an employee can be compensated for an injury which happens on his way to or from work is if it occurs on company owned property.

Injured on Company Steps or on Company Owned Parking Lot

Injuries which occur on the steps leading to the company or on a customary path through the employer's property, or in a company owned parking lot are compensable. For example, an employee who was on his way home from work after a heavy snow storm was injured in a company parking lot while putting chains on his car. He was entitled to compensation.

Injured While Attending to Personal Needs

The general rule is that an employee who is injured at work while attending to his personal needs, such as smoking, eating, getting refreshments or going to the lavoratory is paid workmen's compensation. These functions are necessary for the employee to be able to continue to work. He is not leaving the course of his employment and is considered still on the job. However, if the employee's departure from his job is so great that it becomes apparent that the employee meant to abandon his job temporarily, he is not paid compensation.

Injured during lunch time, wash-up time

An employee injured on the employer's premises during his lunch hour, during wash-up time or while changing clothes is covered by the law.

Injured While Doing Something of a Strictly Private Nature

Where an employee is injured in the performance of an act which he has undertaken to further his own strictly private purpose or to satisfy his own curiosity, and it is apparent that he has abandoned his job for the time being, if what he is doing is not within the scope of his employment, he is not covered by the law. For example, an employee who wanted to see how strong he was by stopping the shaft of a revolving motor and was injured while doing it was not entitled to workmen's compensation.

Injured While Off Company Premises, But Still Taking Orders

An injury occurring away from the company premises, but while the employee is still performing service for the employer and under the direction and control of the employer is compensable. If the employee is being transported by the employer when injured he will be entitled to benefits whether or not he is on the employer's property. An employee whose employment requires him to travel is

considered to be performing services at all times while on a trip, except as he steps aside to do some personal act. He is covered while traveling in trains, cabs, or while in eating places and hotels provided he has not deviated for a private personal purpose.

Traffic accidents are compensable

A teamster or delivery man who is injured in a traffic accident or while unloading merchandise at a different company can be compensated.

Injured During Horseplay or Fighting

The circumstances surrounding the horseplay or fighting will determine if an injured worker can be compensated. If the injured employee was the one who started the horseplay or was the aggressor in the fight, it is unlikely that he will be compensated. On the other hand, if an employee is injured as the result of the "sportive acts" of others, or was attacked without provocation, the decision will be more favorable.

Injured Because of Self-Inflicted Wound

The law provides that if an injury is intentionally self-inflicted, it is not compensable (the extreme case being suicide).

G. A WORKER MUST GIVE NOTICE OF HIS INJURY TO HIS EMPLOYER

When a person is injured or suffers a disease because of his work, his immediate goal is to have it taken care of; to get the proper first aid treatment or medical attention. But it should not be forgotten along the way, that notice of injury and the need for medical attention must be given to the employer. Even minor injuries should be reported because they may develop into something serious later on. As a general rule an injury should be reported immediately so that medical treatment may be

given promptly and that a later claim will not be doubted. A very late report may cause the employer to doubt that the injury occurred at all.

Time Limit of Two Years

The law provides that an injured worker should give notice to his employer within 30 days of any injury received. However, if no notice is given within 30 days, it is still possible to give notice any time within 2 years of the date of the injury or disease, or the date the worker first realized that such injury or disease was caused by his work. As long as the employer receives notice within 2 years and if the employer was not misled by the fact that he did not get earlier notice, benefits are payable. Dependents in death cases also have two years to file a workmen's compensation claim.

Six Year Statute of Limitation

In cases where an employee has stopped receiving weekly compensation benefits for temporary or permanent disability and the injury or disease causes recurring symptoms, he may re-open his claim any time within six years from the date of injury or disease or from the date that compensation was last paid. However, the six-year statute of limitation does not apply where a compromise agreement has been made or where a final award has been issued after a hearing. Where medical treatment will be required beyond the six year statute, and there has been no compromise or final award, the employee can file a formal application for a hearing which will have the effect of keeping his claim open indefinitely. (See later discussion of compromise agreements and hearings.)

Giving Proper Notice to the Employer

When an employee is injured or has contracted a disease because of his work, he should report it at once to his employer directly or

through a foreman or other designated official. Giving notice to a company nurse is sufficient. However, mere notice that an employee became sick while at work is not considered "actual notice of injury." The employer must be notified as to what happened at work which caused the injury or sickness. Notice can be given verbally or in writing. It should include the time, date, circumstances surrounding the injury or the first appearance of an occupational disease and the need for medical attention.

Telling the Union

Because of the difficulties that may later arise in claiming workmen's compensation, it is an excellent idea to notify the union steward or union representative of any injury or disease so that he may help or act as an agent should the need arise.

Keep a Written Record of How the Accident Happened

Because many complications may arise in a workmen's compensation claim and because the amount of benefits are determined based on the individual facts of the case, it is very important that the affected employee keep a written record from the beginning. In addition, if the case ever goes to a hearing, it will be important that the employee's testimony be consistent with his earlier accounts of the accident such as his report to the panel doctor. (See later discussion of hearings.)

List of Needed Information:

1. The date of injury or first indication of an occupational disease. The date is very important.
2. The type of accident such as struck by an object, over-exertion.

3. The nature of the injury or disease such as cut, sprain, hernia, asphyxia.
4. The part of the body affected such as finger, low back, whole body system.
5. The kind of action that was taking place such as lifting, carrying.
6. The source of injury such as machinery, object, hot or flammable substance.
7. The weight of the object causing the injury.
8. Physical symptoms such as sharp pain, stiffness, loss of motion, rash.
9. How long the symptoms lasted and if and when they recurred. (dates)
10. All doctors seen and on what dates.
11. Names of any witnesses who saw the accident.
12. All money spent on doctors, examinations, treatment, medicines, transportation. (Be sure to get receipts.)
13. All days and parts of days lost from work because of the disability.
14. Keep any statement made to an insurance company representative. (See later discussion of steps in a non-disputed claim.)
15. Keep copies of any agreement or final receipt signed for a workmen's compensation claim.

H. UNLIMITED MEDICAL, HOSPITAL AND SURGICAL TREATMENT PAID FOR

An employee who is injured at work or suffers from an occupational disease is entitled to be paid for unlimited medical, surgical and hospital treatment including: a) all doctor bills, b) all hospital and sanatorium

bills, c) all medicines, d) medical and surgical supplies (such as trusses), e) crutches and artificial limbs, f) training in the use of artificial limbs, g) lost time and travelling expenses, in submitting to treatment or examination.

All medical expenses must be paid for by the employer no matter how long or costly, or whether or not weekly benefits are also due for temporary or permanent disability. (See later discussion of weekly benefits paid for temporary and permanent disability.) If an injury results in the need for medical treatment where there has been no lost time, no lost wages and no disability, the employee is still entitled to be paid for medical treatment, alone. Necessary medical expenses are paid unless the claim has been settled through a compromise agreement or a final order as a result of a hearing. (See later discussion of compromise agreements and hearings.)

I. SELECTION OF A DOCTOR IS LIMITED TO A "PANEL" DOCTOR

Every employer is required to provide a list of "panel" doctors, meaning a reasonable number of competent and impartial doctors ready to undertake the treatment of any of his employees. The employee must make his choice of doctors from this list, making sure to notify his employer of his selection and any one change of doctors thereafter. Some employers maintain an "open" panel of doctors.

Employee Allowed Second Choice from Panel of Doctors

If the employee is not satisfied with the first panel doctor, he is allowed to make one more choice. However, he must notify his employer of this second choice and cannot change doctors on his own. This provision, to allow one change of doctors, recognizes that if the employee does not have confidence in his attending physician, his recovery may be delayed and no employee should have to be treated by

a physician whom he distrusts or dislikes for whatever reason. It should be noted that if the employee's first or second choice of doctors is a general practitioner and the "G.P." refers him to one or more specialist, or if he sees several doctors in one partnership or clinic, these are all considered "one" doctor under the law. After changing doctors once, any further change must be upon request and approval of the Industrial Commission.

Many Employers Maintain an "Open Panel" of Doctors

As a practical matter, most employers and insurance companies in Wisconsin have an "open panel" agreement with the State Medical Society. The effect of this agreement in most cases is that an employee may see any doctor he wishes to who is willing to treat compensation cases. Here, again, the employee is limited to his initial selection and one change of doctors. Failure to notify his employer of his initial selection or to clear any change of doctors can lead to a disputed claim and the possibility of the injured employee having to pay for the entire cost of treatment.

Certain Treatment, Including Chiropractor, Not Paid For

If a person goes to his own personal doctor who is not on the "panel," medical expenses will not be paid unless there has been prior approval by the employer or insurance company. Expenses will not be paid for treatment by a physical therapist, masseur, or chiropractor, unless the treatment is ordered by a medical doctor or unless the employer or insurance company specifically agrees in advance to pay for such treatment. Christian Science treatment may be provided instead of medical treatment unless the employer has filed notice with the commission not to approve of such treatment.

Can Go to Any Doctor in an Emergency

In an emergency situation, an employee can go to any doctor for treatment. He should notify his employer and see a panel doctor as soon as possible.

Never Turn Down Reasonable Medical Treatment or Examination

Upon request, a worker should submit promptly to reasonable treatment or examination by any doctor named by the employer or insurance company. The law states that no compensation is payable for the death or disability of an employee if his death was caused by or his disability aggravated by an unreasonable refusal or neglect to submit to or follow reasonable medical or surgical treatment. However, an employee has the right to refuse hazardous treatment or major surgery.

J. WEEKLY BENEFITS PAID FOR TEMPORARY AND PERMANENT DISABILITY

In addition to medical, hospital and doctors' expenses, the workmen's compensation law provides for the payment of weekly benefits in the case of temporary and permanent disability.

Waiting Period Requirement of 3 Days for Temporary Disability

In order to eliminate minor claims for temporary disability, the law requires a 3 day waiting period for all short claims of 10 days or less. (Sundays are not included in the 3 days or 10 days unless the employee usually works on Sundays.) Temporary disability benefits are not paid for the day of injury, either.

If the employee is still physically unable to work 11 days after the day of injury, then he gets compensation for the entire period including the first 3 day waiting period. So that payment for the 11th day will include

all days of disability up to that date (not including the day of injury).

Example of Waiting Period and Partial Week of Benefits

A worker who is injured on Monday is entitled to benefits for the time he was disabled starting with Friday of that same week. If he is still unable to work on the following Saturday (11 days later not counting Sunday) he gets benefits for the first 3 day waiting period, namely Tuesday, Wednesday and Thursday of the first week.

If compensation is due for any part of a week, each day of disability is paid for at the rate of 1/6th of the weekly benefits. (See later discussion of amount of weekly benefits.)

Exception to the Waiting Period If Also Permanent Disability

If an injury causes both temporary and permanent disability, there is no waiting period for the temporary disability benefits. Both temporary and permanent disability benefits start from the first day. Minor amputations causing a day or two loss of work are often overlooked and payment made only for the permanent partial disability caused by the amputation. But temporary benefits are also payable.

Temporary Total Disability

Almost all workmen's compensation cases initially fall into the category of temporary total disability -- which covers the period immediately after injury. This is the period of treatment and healing before it can be determined whether or not there is any permanent disability. Temporary total disability benefits are paid 1) when the person is unable to work and has a total loss of wages; 2) when the person is still recovering and is able to do some type of work, but where he goes back to his employer and the employer is unable to provide him with the type of work he can do.

Duration: Temporary total disability benefits are paid until the employee's condition has become stabilized and treatment and convalescence is not likely to result in more improvement.

Amount: Temporary total disability benefits amount to either 70% of the employee's own average weekly wage or 70% of the maximum average weekly wage provided for in the law at the time of injury. In the 1963-65 Text of the Law the highest benefit amount for temporary total disability is $64.00 per week. (See later discussion of method of figuring weekly benefits.)

Example: If an employee averages $80.00 per week, he is entitled to benefits of $56.00. (70% of $80 is $56). If he averages $125 per week, he is entitled to benefits of $64 which is the maximum granted. (70% of $125 is over $64, but the employee is only entitled to the maximum set forth in the law.)

Temporary Partial Disability

Temporary partial benefits are paid when an employee is working at a lesser paying job because of the temporary effects of an industrial accident or disease. Benefits are paid when the employee has had to take a wage cut because of the disabling effects of the injury or disease and while he is still convalescing or undergoing treatment. Temporary partial benefits are paid in proportion to his wage loss.

Duration: Temporary partial disability benefits are paid until the employee's condition becomes stabilized and treatment and convalescence is not likely to result in more improvement.

Amount: Temporary partial disability benefits are paid in the same proportion to what the employee is entitled to for temporary total benefits as the proportion of his wage loss bears to his former average weekly wage.

Example: If an employee had been earning $125 per week and returns to work at $100 per week, he is taking a 20% wage loss. At $125 per week, he would be entitled to the maximum temporary total benefit of $64 per week (see previous discussion). Applying this same 20% to $64 gives the amount of temporary partial benefits, or $12.80 per week (20% of $64 is $12.80).

Permanent Partial Disability

Permanent loss of limb or long-lasting physical or mental incapacities have a profound effect upon a worker, long after the temporary injury is healed. When an employee is left with a permanent loss of part of his body or a permanent physical impairment, he is entitled to a certain sum of money, in the form of weekly benefits beyond the cost of medical care and the temporary disability payments that he may have received during a healing period. Payments under permanent partial disability are not related to wage loss. In fact, the actual payments are usually paid after the worker has returned to work. The number of weeks of payment allowed depends upon the severity and kind of disability, the more serious the disability, the more weeks of payment. It also depends upon the age of the employee and is reduced if he is over 50 years old. (See later discussion on reduction of permanent partial disability benefits if 51 years or older.)

Duration of Permanent Partial Benefits Determined in One of Two Ways:

1. Number of Weeks Paid According to a Schedule of Injuries

The law sets forth a schedule of injuries by listing parts of the body affected and the number of weeks of benefits allowed for the loss of each such part of the body (loss through amputation or paralysis). This schedule states the number of weeks of benefits which are to be paid for each such loss.

Example: Loss of vision of one eye calls for 250 weeks of compensation; loss of hand at the wrist, 400 weeks; loss of foot at the ankle, 250 weeks; loss of thumb at the proximal joint, 100 weeks; etc.

2. Non-Scheduled Injuries Are Paid as a Percent of 1000 Weeks

For injuries which leave a permanent loss in bodily function, but are not listed on the schedule of injuries (such as internal injuries to the head, back or torso), a medical estimate has to be made as to the amount of permanent loss of bodily function and then taken as a percentage of 1000 weeks. (1000 weeks is an arbitrary figure representing total disability.)

Example: An employee who suffered a herniated disc to his back is found by the doctors to have a 10% permanent partial disability due to the back injury. He is entitled to 100 weeks of permanent partial disability benefits. (10% of 1000 weeks is 100 weeks.)

Amount: Permanent partial benefits for both scheduled and non-scheduled injuried amount to either 70% of the employee's own average weekly wage or 70% of a maximum average weekly wage provided for in the law at the time of

injury. In the 1963-65 Text of the Law the highest benefit amount for permanent partial disability is $44.50 per week. (Note, this is lower than for temporary total disability benefits.)

Reduction of Permanent Partial Benefits if 51 Years or Older

An unusual feature of the Wisconsin law is the provision for reduction of benefits if 51 years of age or older in the paynent of permanent partial disability benefits. It was assumed that the older worker had fewer years of employment left and that his wage loss, by reason of permanent partial disability, would therefore be less. The law provides for a 2½% reduction in the number of weeks a person can draw benefits for each year beginning with age 51 for scheduled and non-scheduled injuries. The maximum reduction is 50% of the number of weeks which an employee would ordinarily be entitled to if he were not 51 years of age or older. After the age of 70 years there is no further reduction

Example: If a 59 year old man loses a hand, which according to the schedule of injuries would pay 400 weeks of benefits this is reduced to 310 weeks because of his age.

Permanent Total Disability

In case of extremely serious injury, which substantially handicaps a man from ever finding work again, the law provides that weekly benefits be paid for life. The law defines a permenent total injury as the loss of both eyes, or the loss of both arms, or the loss of both legs, or the loss of an arm and a leg and other extreme conditions to be determined by the Industrial Commission. The provisions of this clause are applied automatically. Therefore, benefits are payable for life no matter whether or not the employee subsequently finds work.

Duration: Permanent total disability payments are paid for life.

Amount: Permanent total disability benefits amount to either 70% of the employee's own average weekly wage or 70% of the maximum average weekly wage set forth in the law at the time of injury. The maximum benefits during 1963-65 was $64 per week. (See later discussion on method of figuring weekly benefits.)

Method of Figuring Weekly Benefits

In figuring weekly benefits, the law states that an injured employee is entitled to either 70% of his "own" average weekly wage or 70% of the maximum average weekly wage provided for in the law at the time of injury. What is this maximum average weekly wage? The 1963-65 Text of the Law provided for two maximums: the first maximum is $91.43 for purposes of figuring temporary total disability benefits, permanent total disability benefits, and death benefits; the second maximum is $63.57 for purposes of figuring permanent partial disability benefits. Taking 70% of these figures gives $64.00 per week and $44.50 per week respectively. These, then, become the highest weekly benefit amounts an employee can draw under the present law. This provision of the law, negates, in part, the other provision of the law allowing an employee to draw 70% of his "own" average weekly wage. If his "own" average weekly wage is higher than the maximum provided for in the law, he cannot collect on the basis of his higher average. The Wisconsin Legislature usually amends the law to raise the maximum average weekly wage provided for in the law every biennial session. But the person already drawing workmen's compensation does not benefit from any subsequent change in the law. The date of the injury or disease fixes

the benefit amount. This is important in permanent total and permanent partial cases where payments may extend over many years.

K. PAYMENT FOR OCCUPATIONAL DEAFNESS, DISFIGUREMENT, NON-DISABLING SILICOSIS, MULTIPLE INJURIES AND BENEFITS TO WORKERS ALREADY HANDICAPPED

Workmen's compensation benefits for occupational deafness, disfigurement, non-disabling silicosis, multiple injuries and to workers already handicapped are all given separate treatment in the law.

Occupational Deafness

Pioneer work has been done in the State of Wisconsin in recognizing loss of hearing as an occupational disease. Benefits are allowed if prolonged exposure to noise causes permanent partial or permanent total loss of hearing.

Disfigurement

Benefits may be payable if an employee is disfigured about the face, head, neck, hands or arm, through an industrial accident, which will probably cause wage loss or cause loss of employment.

Non-Disabling Silicosis

Benefits are allowed if an employee is laid off or it is inadvisable for him to continue working because of non-disabling silicosis.

Multiple Injuries Paid for at a "Stepped Up Rate"

In case an accident causes more than one permanent injury, such as loss of two fingers, the number of weeks of permanent partial benefits are paid for at a "stepped up" rate, that is, the total number of weeks will equal more than the combined weeks for each such loss as listed in the schedule of injuries.

Workers Already Handicapped May Get Extra Benefits from 2nd Injury Fund

If a worker is already handicapped for whatever reason and is in an

industrial accident entitling him to at least 250 weeks of permanent partial benefits, he may be entitled to additional benefits from a special "2nd Injury" fund maintained by the State for this purpose. Benefits are paid out of this 2nd Injury Fund when an employee has a pre-existing disability such as birth defect, bad heart, weak eyes, previous injury which if it were caused by an industrial accident would entitle him to 250 weeks of benefits. If he now sustains an industrial injury entitling him to 250 weeks of benefits, he is not only entitled to these weeks but an additional number of weeks equal to either, 1) the number of weeks his pre-existing disability would bring were it an industrial injury or 2) the number of weeks which is payable for his current injury whichever of these two are the lesser number of weeks. These additional weeks are financed through employer contributions of $1500 any time one of his employees loses a hand, arm, foot, leg or eye. The purpose of this special Second Injury Fund is to promote the employment of handicapped workers and to compensate the employee for the seriousness of the combined disabilities.

L. TRAINING AND REHABILITATION FOR HANDICAPPED WORKERS

Wisconsin law recognizes its obligation for the training of handicapped workers so that they can again become self-supporting members of the community.

Training in the Use of Artificial Limos Provided

In cases of amputation after injury, temporary disability benefits extend during any reasonable period it takes to be trained in the efficient use of artificial limbs. The cost of training may be substantial but there is no stated limit to the number of weeks of such benefits.

Rehabilitation

If an employee has suffered from any serious industrial injury or disease making it difficult or impossible for him to do the work he previously performed, he may receive up to 40 weeks of additional benefits while he takes rehabilitation instruction under the supervision of the Vocational Rehabilitation Department. In addition to the 40 weeks, he may receive the cost of transportation and maintenance if the worker must go outside his own community for such training. The Workmen's Compensation Department attempts to refer all seriously handicapped persons to the Vocational Rehabilitation Department (any person who is more than 10% disabled is a likely candidate for rehabilitation). Any employee wishing to apply for vocational training may do so on his own by notifying either department. Adequate expenditures for good medical care and rehabilitation are very important in reducing the extent of final injury and restoring the individual to society with as much potential as possible.

M. DEATH BENEFITS PAID TO WIFE AND DEPENDENTS AND BURIAL EXPENSES PROVIDED

If an industrial accident or occupational disease causes death, or if a worker dies while he is entitled to permanent total disability benefits, the law provides for the payment of death benefits to a wife, husband, parent or close relative. In addition, extra benefits are paid to dependent children. If there is no husband, wife or totally dependent parent, death benefits are divided among other dependents.

Death Benefits to the Surviving Wife or Husband

If there is a surviving wife or husband, death benefits are paid to her or him and all other relatives are excluded (except children who get additional benefits). Death benefits vary according to the employee's

earnings up to a maximum of $18,286 as set forth in the 1963-65 Text of the Law. Death benefits are payable monthly over a period of 8 years. In case there is a widow and dependent children, the Industrial Commission has the right to reassign death benefits to the children should the widow remarry.

Extra Benefits to Dependent Children

Children 16 years or under living with the employee at the time of injury may receive additional benefits from a state fund created for that purpose (or over 16 years if the child is mentally or physically incapacitated). The amount of benefits varies with the age of each child.

Death Benefits to Parent or Other Close Relatives

If there is no surviving spouse, and the employee was totally supporting his parents or other close relatives, such parent or relatives are entitled to the full amount of death benefit. If parents are not wholly dependent, but have maintained friendly relations with the deceased, they are allowed $2000.

Burial Expenses of $500

In all cases where death results from an industrial accident or disease the employer or his insurance company must pay burial expenses up to $500.

No Reduction in Permanent Total or Death Benefits Because of Age

The provision for reduction of benefits when an employee is 51 years of age or over does not apply to permenent total benefits or death benefits.

N. BENEFITS MAY BE INCREASED OR DECREASED IF VIOLATION FOUND

There are several provisions in the law for increasing or decreasing weekly benefits and death benefits which are important in enforcing both the

safety codes of the State of Wisconsin and the child labor laws.

The "Safe Place" Statute

Under Wisconsin law, the "safe place" statute imposes an absolute duty on the part of the employer to do everything reasonably necessary to furnish a safe place to work and to protect the life, health, safety and welfare of his employees. The employer's failure to meet safety standards or to comply with the safety codes of the State can increase the amount of workmen's compensation benefits the employer must pay.

15% Increase in Benefits if Employer Violates Safety Codes

If injury is caused by reason of a violation by the employer of the "safe place" statute, or of a safety order, or because of failure of an employer reasonably to enforce compliance by employees with a safety order, 15% increased compensation becomes payable to the employee or his dependents.

15% Decrease in Benefits if Employee Violates Safety Codes

If an employee willfully violates or fails to follow rules for his safety, or to use safety devices which the law requires, compensation may be decreased by 15%. Compensation is not reduced if the use of such safety device is not enforced by the employer.

15% Decrease Because of Intoxication

If an injury occurs because of the employee's intoxication, compensation may be decreased by 15%.

Double or Treble Damages if Minors Are Illegally Employed

The law provides that all illegally employed minors have the protection of the workmen's compensation law. If a minor is working without a permit and is injured, the employer must pay double the amount of benefits that would normally be paid. This additional amount must be paid by the

employer, himself, rather than his insurance company, as a form of penalty. If an injured minor is illegally employed in an occupation which is prohibited to minors, the employer must pay triple the amount. Double compensation is limited to $5000 and treble compensation to $7500.

O. FILING A WORKMEN'S COMPENSATION CLAIM WHERE THERE IS NO DISPUTE

One of the major purposes of the workmen's compensation law is to bring about the speedy payment of claims. To help do this, the law provides for certain administrative rules which are designed to hasten the process and protect the parties involved. Under Wisconsin law, the employer or insurance company takes the inititative in paying out the first benefit check in a non-disputed case. The Workmen's Compensation Department insures that the correct payments are made by requiring full reports from employers, insurance companies and doctors, and by careful examination of the evidence.

Steps in a Non-Disputed Claim

1. When the employee is injured or finds he has an occupational disease, he gets needed medical attention. He sees a panel doctor as soon as possible and continues treatment as long as necessary.

2. The employee gives immediate notice of injury to his employer, preferably in 30 days, but certainly within two years.

3. The employer or insurance company files a report within four days of the injury with the Workmen's Compensation Department. This report is called "Employer's First Report of Injury or Disease." The employee does not get a copy of this report.

4. The Workmen's Compensation Department sets up a file on the case and sends the employee an information sheet together with a "promptness of payment" postcard. The employee should return the postcard when he gets his first check.

5. The doctor sends a medical report on the nature of the injury or disease to the employer or insurance company.

6. The insurance company usually sends an adjuster to the employee's home to find out the details of the accident. The worker will want to give a complete statement, particularly all of the physical symptoms and pains connected with the disability. If there is any doubt about the statement, he need not sign it. (It is sometimes used against an employee at a hearing.) However, if it is accurate and complete he should sign it. He must be given a copy of the statement he signs.

7. If there is no disagreement about the claim, the insurance company or employer will start paying benefits. Checks come directly from the insurance company or employer.

8. The employer or insurance company sends the Workmen's Compensation Department a follow-up report within eleven days showing that payment of benefits have begun, or showing the reasons why not.

9. The employee gets his first check, usually within fifteen days after the date of injury. If he does not, he should write the Workmen's Compensation Department, State Office Building, Madison, Wisconsin. Insurance companies compete with each other to see who has the best record of promptness of first payment.

10. At the end of the period of disability the insurance company usually writes a letter to the employee informing him that payments will be stopped as of a certain date.

11. When the employee has received all of his benefits, he will be asked to sign a form entitled "receipt of final payment." He signs this if he agrees that he has been paid properly and that he is sufficiently recovered to resume his former work. An employee may safely

sign a receipt for final payment because his claim remains open for six years from the last payment.

12. The employer and insurance company make out a last "supplementary" report and send one copy to the Workmen's Compensation Department and give one copy to the employee when final payment has been made.

13. A physician's report must accompany the final report and a copy must be given to the employee if there has been any payment for permanent disability or if the temporary disability exceeds three weeks.

14. An employee is entitled to the final report and the physician's report, and should request it if it is not automatically given to him.

Returning to Work Problems

1. An Employer May be Fined for Refusing to Re-Employ the Employee

After an employee's claim for workmen's compensation is over, he has a right to a job, but no guarantee of a job. This is one of the weakest and more unfortunate clauses in the law. Under this provision of the law, an employer who unreasonably refuses to rehire an employee may be fined up to $500. (The Workmen's Compensation Department must request that the State's Attorney General's office begin forfeiture action against the employer.) But even if the employer is fined, nothing in the law compels an employer to take an employee back to work.

2. When Is the Employee Able to Return to Work?

There may be a difference of opinion as to when the employee is sufficiently recovered to return to work. If the employee does not feel up to it, or has been advised by his personal doctor not to return yet, he should notify the Workmen's Compensation Department--he still may be entitled to benefits. However, returning to work is often the best therapy in regaining the use of part of the body and in regaining

the confidence and ability to work again.

3. Further Compensation Due if Recurrence of Injury or Disease

If the effects of an injury or disease recur any time in the six years following the last date of payment, the claim can be reopened, (where there has been no award issued as the result of a compromise agreement or hearing).

P. STIPULATION-OF-FACTS AGREEMENT AND COMPROMISE AGREEMENT

Many questions can arise in a workmen's compensation claim before the employer or insurance company is willing to pay or is ordered to pay benefits by the Industrial Commission. Such questions include, whether or not the injury or disease arose out of and because of work, whether it was aggravated by nonwork causes, whether it caused a permanent condition, and the extent of permanent disability. All of these questions may be disputed by the insurance company, lawyers, doctors and the employee. Short of going to a hearing over the claim, there are two types of agreements that can be reached if both parties prefer to settle without a hearing; one is a stipulation-of-fact agreement and the second is a compromise agreement. Both types must be submitted to the Industrial Commission for review. The Commission will either affirm, set aside, or modify the agreement and direct payment in the form of an order or award.

Stipulation-of-Facts Agreement

In cases where it seems advantageous to both sides to pin down or "freeze" the facts, this can be done by a stipulation-of-facts agreement. This agreement commits each side to something that they might not want to concede, otherwise. For instance, it will state the percentage of permanent partial disability which will eliminate further controversy over this point. Or in cases where there is to be a lengthy period of

payment, it obligates both sides to accept the agreed upon number of weeks. The worker (or dependents in fatal cases) should make sure that all the facts are stated to his satisfaction as to percentage of permanent disability and number of weeks of payment. The insurance company cannot claim, at a later date, that the disability actually amounted to a lesser amount, unless they can bring proof within one year of the agreement. The advantage to a worker of this type of agreement is that the insurance company and employer has only one year to request that the Industrial Commission reopen and review the case. However, the employee still has six years to reopen the claim should there be a recurrence of his injury or disease.

Compromise Agreement to be Signed Only as Last Resort

In some cases, where there is a doubt about the claim or there is a dispute about the extent of disability and uncertainty on both sides how the case would turn out as a result of a hearing, a compromise agreement is entered into. This type of agreement can be dangerous because the employee is not allowed to reopen his claim after one year and the Industrial Commission rarely reviews or changes this type of settlement. Unless an actual dispute arises, the parties should not attempt to make a compromise agreement, but should stipulate to the facts without using the word "compromise." For all practical purposes the case is closed for all time with the signing of a compromise agreement.

Q. DISPUTED CLAIMS AND HEARINGS

A disputed claim exists where an employee or surviving spouse or dependent believes he is entitled to certain workmen's compensation benefits for which the employer or insurance company deny liability. The employer's or insurance

company's unwillingness to pay benefits may arise because of an honest difference of opinion among witnesses or a conflict of medical testimony between doctors. If there is no settlement the law provides that the case go to a hearing held before a hearing examiner representing the industrial commission. (Only about 5% of all claims go to a hearing.) The examiner is there to get the facts in the case. He bases his decision on the testimony of both parties and the doctor's reports submitted in the case. In most cases, the insurance company or employer is represented by an attorney and other expert witnesses. The employee, too, must be willing to prepare himself and get expert help in his effort to present and develop his case. There is only one opportunity to present a case. There is only one hearing. Should the injured employee lose that, he cannot start over again. Therefore, it is extremely important not to enter a hearing until all of the necessary evidence is ready and available for presentation.

To Request a Hearing, An "Application for Adjustment of Claim" Must be Filed

When an employer or an employee wants to request a hearing, he must file three copies of a form entitled "Application for Adjustment of Claim" with the Workmen's Compensation Department. This form can be obtained from the Workmen's Compensation Department, State Office Building, Madison, Wisconsin or Milwaukee, Wisconsin. The form must be filled out in triplicate and returned to one of the above offices. The Workmen's Compensation Department then sends one copy to the employer or his insurance company for an answer.

Insurance Company or Employer Responds to Application

A person is not sure that a hearing will be necessary unless the insurance company or employer decides to answer this application. They do this

by filling out another form entitled "Admission of Service and Answer to Application" setting forth the reasons why they will oppose the claim. The employee and (or) his lawyer should use this form as the basis for preparing for the hearing, concentrating on the points which the insurance company denies.

Hearing is Scheduled

After an insurance company denies liability, the Workmen's Compensation Department sets a hearing date. The date and place are usually set according to the worker's request in his claim. Both parties are notified at least 10 days in advance. If the worker is not ready for the hearing he should notify the Workmen's Compensation Department immediately. Hearings are semi-judicial proceedings, but are fairly informal. Witnesses are sworn in as in a courtroom and either party may cross-examine the other. A stenographer records all the testimony.

Consulting with a Workmen's Compensation Examiner

At any time an employee (or dependents of an employee) can consult with an examiner of the Workmen's Compensation Department in person in Milwaukee or Madison or by writing or a long distance phone call. If there is any question on how to proceed or how to prepare for a hearing, he should feel free to consult with the staff of examiners.

Legal Representation and Legal Fees

In all but the simplest cases, it is a good idea for an employee to be represented by a lawyer in a hearing before an examiner. Unions often advise injured members to seek legal aid both before attempting to settle a claim with an employer and before appearing at a hearing. An attorney is entitled to legal fees of 20% of the amount of benefits in dispute or, if there is no net gain over the amount the employer

offered, he is entitled to up to $100 to be determined by the Industrial Commission according to the amount of work involved in the case.

Physical Examinations and Medical Testimony

One of the most common types of cases which go to a hearing occurs where there is a conflict of medical testimony. There may have already been a number of examinations and reports at the time of the hearing. (The employer has the right to ask that the employee be examined and re-examined any reasonable number of times. In some cases the employee may be re-examined several times by doctors on both sides.) The employee has the right to have his own personal doctor or specialist submit a medical report on his behalf, or to have him appear as a witness for him at the hearing.

Employee May Submit Doctor's Report 15 Days Before Hearing

The law provides that a physician or surgeon can fill out a report on a special form to be supplied by the Workmen's Compensation Department upon request (form WC-16-b entitled "Physician's Report on Accident or Industrial Disease) and if such form is submitted to the Workmen's Compensation Department at least 15 days before the hearing, it can be used as direct testimony just as if the doctor were there in person. The purpose of this provision is to equalize to a degree the opportunity for parties to present medical testimony. The cost of appearance of medical witnesses, is, at times prohibitive to employees. Under this provision, the burden of producing the physicians for cross-examination is imposed upon the employer or insurance company. But it is up to the employee to ask his doctor to submit Form A-16b and see to it that he does.

Employee's Doctor Can Appear As Witness On His Behalf

It is up to the employee to bring his own doctor or specialist to appear on his behalf. He must pay for the doctor's appearance, independent of any other medical costs he may be entitled to.

Other Witnesses

The employee has to pay for the expense of any witness he wants to appear on his behalf. (See discussion of employee's doctor as a witness above). The employee should make sure that his witness is informed of the time and place of the hearing. He should through preparation make sure that he and his witnesses do not contradict each other with respect to the details of the case.

Examiner's Award

The examiner will gather all the facts at the hearing. He can order an examination by a doctor not connected with the case if he thinks necessary. After the final hearing, the examiner issues an award or order which states the amount of disability and how much compensation is to be paid. The award prevents the employee from claiming benefits in the future should further disability arise except in the case of occupational disease, where no showing of disability was found. The examiner may also issue an award denying benefits.

R. APPEALS

Either party has the right to appeal the award of an examiner. The appeals follow this order: 1) appeal for Commission review 2) appeal to the Circuit Court of Dane County and 3) appeal to the Supreme Court of Wisconsin.

Appeal for Commission Review

If a worker wishes to appeal the examiner's award, he must file an

"Appeal for Commission Review" form within 20 days of the mailing date of the examiner's award. On this form he states where he differs with the examiner's award. The full three-member Industrial Commission will decide the case for or against the worker. The worker will receive a copy of the Commission's decision.

Appeal to the Circuit Court of Dane County

After the Industrial Commission has decided the case, any further appeal is directly to the Circuit Court of Dane County (no other court handles workmen's compensation cases). Such appeal must be made within 30 days. A lawyer should be consulted to carry forth the case, since only questions of law are taken up by the Circuit Court. If the employee loses the court case, he will have to pay the court costs. If the employee wins, the court can assign costs as it sees fit.

Appeal to Supreme Court of Wisconsin

Only exceptional cases would be appealed to the Supreme Court. An employee has 30 days to appeal after the judgment of the Circuit Court.

S. WHO DOES AND DOES NOT COME UNDER THE WORKMEN'S COMPENSATION LAW

Basically, all employees who work for an employer who employs three or more employees are covered or protected by the provisions of the workmen's compensation law. Others may not be protected.

Automatic Coverage

All employers with three or more employees must cover their employees under the law. All state offices and sub-divisions of the State including counties, cities, villages, school districts must pay workmen's compensation to its employees or elected officials if they are injured or get an occupational disease because of work. All farmers

who employ six or more people on twenty or more days in a calendar year must cover their workers under the law.

Voluntary Coverage

An employer who employs fewer than three employees may, nevertheless, become subject to the law in any of these three ways:

1. By filing with the Industrial Commission a written statement of election.
2. By employing three or more persons at any time without previously having filed a notice of non-election.
3. By securing a workmen's compensation policy.

Employees of Sub-Contractors or Loaned Employees

A contractor who is subject to the workmen's compensation law is liable for injuries to an employee of his subcontractor who is not subject. The purpose of this section is to prevent employers from relieving themselves of liability by doing business through individual contractors what they would otherwise have their own employees do.

Employees Who Are Not Protected Under the Law

Federal employees, railroad workers and certain other employees are not covered by the State law but have protection under the federal laws. Unemployed workers do not have protection under the law. Volunteer workers, such as members of a church serving a church supper, do not have protection under the law.

T. IF A "THIRD PARTY" IS THE CAUSE OF ACCIDENT, HE MAY BE SUED IN COURT

If a person is hurt by negligence of a "third party" (such as an outside contractor doing work in the plant) he may receive workmen's compensation and

also sue the "third party." He will receive at least one-third of the net amount recovered from the third party. All costs of collection, including attorney's fees, are taken out before division of proceeds is made. The insurance company or employer is then repaid the amount paid or to be paid as compensation, and if any balance remains that also is paid to the employee. Action against a third party is usually by joint action of the employer or his insurance company and the injured employee.

EXTENT OF PROTECTION UNDER WORKMEN'S COMPENSATION LAWS

	Compulsory Law	No Numerical Exemption	Farm Employment Covered	Full Coverage of Occ. Diseases	Rehabilitation Division Within W.C. Agency	Maintenance Benefits During Rehabilitation	Full Medical Care For Accidental Injuries	Full Medical Care For Occupational Diseases	W.C. Agency Has Authority To Supervise Medical Aid	Initial Choice Of Physician By the Injured Worker	Broad Subsequent Injury Fund	Adequate Time For Filing Occ. Disease Claims	Waiting Period For Not More Than Three Days With Retroactive Benefits After Two Weeks	Death Benefits To Widow Until Her Death Or Remarriage	Compensation For Permanent Total Disability For Life Or Period Of Disability	Compensation For Temporary Total Disability Not Less Than 66-2/3 Percent of Average Wages	Total Standards Met
Ala.	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	0
Alaska	X	X	X	X	X	X	X	X	X	X	X	X	--	X	X	--	14
Ariz.	X	--	--	--	--	X	X	--	X	X	X	--	--	X	X	X	9
Ark.	X	--	--	X	--	X	X	--	--	--	--	--	--	--	--	--	4
Calif.	X	X	X	X	X	--	X	X	X	--	X	X	--	--	X	--	11
Colo.	--	--	--	--	--	--	--	--	--	--	--	--	--	--	X	--	1
Conn.	X	--	X	X	--	X	X	X	X	--	X	--	X	X	X	--	11
Dela.	X	--	--	X	--	--	X	X	--	X	X	X	X	--	X	--	9
D. C.	X	X	--	X	X	X	X	X	--	X	X	--	--	X	X	X	12
Fla.	--	--	--	X	X	--	X	X	X	--	X	X	--	--	X	--	8
Ga.	--	--	--	--	--	--	--	--	X	--	--	--	--	--	--	--	1
Hawaii	X	X	X	X	X	X	X	X	X	X	X	X	X	--	X	X	15
Idaho	X	X	--	--	--	--	X	X	X	--	--	--	--	--	X	--	6
Ill.	X	X	--	X	--	--	X	--	--	--	--	--	--	--	X	--	5
Ind.	--	X	--	X	--	--	X	X	--	--	--	X	--	--	X	--	6
Iowa	--	X	--	--	--	--	X	X	--	--	--	--	--	--	--	--	3
Kansas	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	0
Ky.	--	--	--	X	--	--	X	X	--	--	--	X	--	--	--	--	4
La.	--	X	--	--	--	--	--	--	--	--	--	--	--	--	--	--	1
Me.	--	--	--	--	X	X	X	--	--	X	--	--	--	X	X	--	6

EXTENT OF PROTECTION UNDER WORKMEN'S COMPENSATION LAWS

	Compulsory Law	No Numerical Exemption	Farm Employment Covered	Full Coverage of Occ. Diseases	Rehabilitation Division Within W. C. Agency	Maintenance Benefits During Rehabilitation	Full Medical Care For Accidental Injuries	Full Medical Care For Occupational Diseases	W.C. Agency Has Authority To Supervise Medical Aid	Initial Choice Of Physician By The Injured Worker	Broad Subsequent Injury Fund	Adequate Time For Filing Occ. Disease Claims	Waiting Period For Not More Than Three Days With Retroactive Benefits After Two Weeks	Death Benefits To Widow Until Her Death Or Remarriage	Compensation For Permanent Total Disability For Life Or Period Of Disability	Compensation For Temporary Total Disability Not Less Than 66-2/3 Percent Of Average Wages	Total Standards Met
Md. - - - -	X	X	--	X	X	--	X	X	X	X	X	X	--	--	--	--	10
Mass. - - -	X	--	X	X	X	X	X	X	--	X	--	X	--	--	X	X	11
Mich. - - -	X	X	X	X	--	X	X	X	--	--	--	--	--	--	X	--	8
Minn. - - -	X	X	--	X	--	X	X	X	--	X	X	--	--	--	X	--	9
Miss. - - -	X	--	--	--	--	X	X	X	--	--	--	--	--	--	--	--	4
Mo. - - - -	--	--	--	X	X	X	X	X	--	--	X	X	--	--	X	--	8
Mont. - - -	--	X	--	--	--	X	--	--	--	X	--	X	--	--	--	--	4
Neb. - - -	--	X	--	X	--	--	X	X	--	--	--	--	--	--	X	--	5
Nev. - - -	X	--	--	X	--	--	X	--	X	X	--	--	--	X	X	--	7
N. H. - - -	X	--	X	--	--	--	X	X	--	X	--	X	--	--	--	--	6
N. J. - - -	--	X	X	X	X	--	X	X	--	--	--	--	--	--	X	--	7
N. M. - - -	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	0
N. Y. - - -	X	X	--	X	X	X	X	X	X	X	X	X	--	X	X	--	13
N. C. - - -	--	--	--	--	--	--	X	--	X	--	--	--	--	--	--	--	2
N. D. - - -	X	X	--	X	X	X	X	X	--	X	--	--	--	X	X	--	10
Ohio - - -	X	--	X	X	X	X	X	X	X	X	--	X	--	--	X	--	11
Okla. - - -	X	--	--	--	--	--	X	X	X	--	--	X	--	--	--	--	5
Oreg. - - -	X	X	--	X	X	X	X	X	X	X	X	--	X	X	X	--	13
Penn. - - -	--	X	--	X	--	--	[illegible]	[illegible]	--	--	--	--	--	--	X	--	[illegible]
P. R. - - -	X	X	X	X	X	--	X	X	X	--	X	X	X	X	X	X	14

EXTENT OF PROTECTION UNDER WORKMEN'S COMPENSATION LAWS

	Compulsory Law	No Numerical Exemption	Farm Employment Covered	Full Coverage of Occ. Diseases	Rehabilitation Division Within W. C. Agency	Maintenance Benefits During Rehabilitation	Full Medical Care For Accidental Injuries	Full Medical Care For Occupational Diseases	W.C. Agency Has Authority To Supervise Medical Aid	Initial Choice Of Physician By The Injured Worker	Broad Subsequent Injury Fund	Adequate Time For Filing Occ. Disease Claims	Waiting Period For Not More Than Three Days With Retroactive Benefits After Two Weeks	Death Benefits To Widow Until Her Death Or Remarriage	Compensation For Permanent Total Disability For Life Or Period Of Disability	Compensation For Temporary Total Disability Not Less Than 66-2/3 Percent Of Average Wages	Total Standards Met
R. I.- - -	X	--	--	X	X	--	X	X	--	X	--	X	X	--	X	--	9
S. C.- - -	--	--	--	X	--	--	X	X	X	--	--	--	--	--	--	--	4
S. D.- - -	--	X	--	--	--	--	--	--	--	--	--	--	--	--	--	--	1
Tenn.- - -	--	--	--	--	--	--	--	--	--	X	--	--	--	--	--	--	1
Tex. - - -	--	--	--	--	X	--	X	--	X	--	--	--	--	--	--	--	3
Utah - - -	X	X	--	X	--	X	X	--	X	--	X	X	--	--	X	--	9
Vt.- - - -	--	--	X	--	--	--	X	--	--	--	--	--	--	--	--	--	2
Va.- - - -	X	--	--	X	--	--	--	--	X	--	--	X	--	--	--	--	4
Wash.- - -	X	X	--	X	X	--	X	X	X	X	X	X	--	X	X	--	12
W. Va. - -	--	X	--	X	X	X	X	--	X	X	X	--	--	X	X	--	10
Wis. - - -	X	--	X	X	--	X	X	X	X	X	X	X	X	--	X	--	12
Wyo. - - -	X	X	--	--	--	--	X	--	--	X	--	--	X	--	--	--	5
Number of States Meeting Standards	29	25	12	32	19	20	41	30	23	32	18	21	8	12	31	5	

X Law Meets the Recommended Standard.
-- Law Does Not Meet Standard.

LSB-1/66

STATE Comparison To Standards

YARDSTICK FOR WORKMEN'S COMPENSATION LAWS

Administrators of Workmen's Compensation Laws in the States and Provinces of the United States and Canada have agreed to the following goals or standards for benefits to persons injured on the job. Most of these are also the standards recommended by the U. S. Department of Labor and the AFL-CIO.

1. Compulsory Coverage. If the law permits either the employer or the employee to reject workmen's compensation coverage, it does not meet the accepted standards. The uncovered worker, left to his own resources in securing workmen's compensation benefits, is not apt to be as successful in securing adequate compensation for his injury. Generally, small employers lack the financial resources to protect the injured worker unless they are required to carry compensation insurance by law.

2. No Numerical Exemptions. Unless the law applies to all employers regardless of the number of employees, it falls short of protecting all who work for a living. All employers of one or more employees should be covered. Even when a compulsory law is adopted, provisions providing for exemptions of employers with small numbers of workers have circumvented the law in most states. The retention of numerical exemptions stand as a formidable obstacle against labor's efforts to make workmen's compensation an effective program.

3. Coverage of Agricultural Workers. Agriculture is one of the most hazardous kinds of employment. The objection that difficulties of administration require the exemption of farmers and small firms has been proven false by the states that now cover them. Experience has shown that there is no reason to exempt this hazardous area from coverage.

4. Full Coverage of Occupational Diseases. It should not make any difference whether a worker is injured by an accident or injured on his job by a hazard peculiar to the employment. Thirty states cover all occupational diseases. The remainder covered only "scheduled" diseases which means that the worker is protected only for those diseases specifically mentioned in the law. A broad schedule of diseases does not resolve the problem. Schedules of occupational disease tend to become obsolete. Periodic revision fails to keep pace with the rapid changes in work technology. The only sure way to protect the worker is to specify that all occupational diseases are included without enumerating them.

5. Rehabilitation Division Within the Workmen's Compensation Agency. The rehabilitation of an occupationally injured worker should be the special responsibility of the workmen's compensation agency. It is vitally important that the rehabilitation of an injured worker begin immediately and that medical and rehabilitation care be adequately supervised from its inception. The lack of prompt action and supervision can mean the difference between restoring a worker to his full, productive potential and his remaining a cripple for life.

6. Maintenance Benefits During Rehabilitation. One of the basic objectives of workmen's compensation is the restoration of an injured worker to his greatest potential. The injured worker who has suffered a severe wage loss frequently finds it financially impossible to undergo vocational and physical rehabilitation when it requires an additional outlay of funds. Even when full compensation benefits are paid to workers who undergo rehabilitation, such expenses as travel, maintenance away from home, tuition, equipment, etc. may make it impossible for the injured worker to undergo rehabilitation. Maintenance benefits are essential, for

unless rehabilitation begins soon after injury, full physical restoration may be prevented.

7.&8. Full Medical Benefits for Accidental Injury or Occupational Disease. It is unreasonable to attach either time or dollar limits to medical benefits. The injured worker should not have to bear a portion of the medical cost of his occupational injury or disease. Recovery and prompt restoration of an injured worker depends largely on the medical care he receives. Every worker should be entitled to complete care to speed his recovery, to encourage rehabilitation, and to reduce the chance of possible permanent injury.

9. Supervision of Medical Care. The purpose of the compensation system should be to restore the worker to maximum physical well being and to his job as soon as possible. Successful achievement of this objective requires that the administrative agency be given the responsibility by statute to supervise medical care in order to insure accuracy of diagnosis and proper treatment.

10. Free Choice of a Qualified Physician. There are several desirable goals in choosing a physician. The first is the confidential nature of the doctor-patient relationship and the desirability of the patient trusting the doctor. Free choice also eliminates the possibility of a doctor, who is employed or paid by an employer or insurance carrier, from letting this relationship influence his medical opinion. The second is the need to achieve the maximum standards of rehabilitation by permitting compensation administrators sufficient supervision of medical care to insure that medical services are adequate and that the physician freely chosen is qualified.

11. Broad type Coverage for Handicapped Persons Under a Second Injury Fund. Unless an adequate second injury fund is adopted, workmen's compensation handicaps the handicapped in obtaining employment. All but 4 states have special funds in the workmen's compensation program to insure that an employer who hires handicapped workers will not, in the event a handicapped employee is disabled, face higher workmen's compensation costs than he would if the employee had not been handicapped at the time of hire. Any additional liability resulting from the combined disability is paid from the second injury fund. Unfortunately, the great majority of these funds limit coverage to bodily loss or loss of use of a bodily member. Such laws do not provide protection for the vast majority of handicapped workers who suffer from such disabilities as epilepsy, polio, arthritis, heart disease, etc. A good second injury law should not disqualify any handicapped worker because of the type or cause of his disease.

12. The Time Limit for Serving Notice and Making Claim in Occupational Disease Cases Starts Running from the Time of the Worker's Knowledge or the Worker's Disability. Occupational disease frequently does not show up for many years after a worker leaves an employer. Thousands of workers are denied benefits under workmen's compensation because they fail to serve notice or make claim for compensation within the limited dates fixed by a workmen's compensation statute.

13. Waiting Period of Not More than 3 Days with Retroactive Benefits After Two Weeks or Less. A long waiting period forces the injured worker to bear a large portion of the financial burden of any injury. Most state laws provide than an employee will not be entitled to any compensation for the first week of disability until he has been disabled for 3 or 4 weeks. Since 75% of the temporary disability cases heal within 21 days, a large portion of injured workers will not be protected by this provision and will suffer a week's loss of pay without any form of compensation, and a small percentage replacement of total wage loss. A waiting period of three days with retroactive benefits within two weeks should be the maximum waiting period in any law.

14. Benefits Payable to the Widow Extend to Death or Remarriage and To The Children Until They Reach 18. The premise of workmen's compensation is to insure wage loss, not to determine a cash settlement for any single day or days. The family of a deceased worker is entitled to full economic protection.

15. Benefits for Permanent Total Disability Payable for Life or The Period of Disability. The injured worker who is permanently and totally disabled will normally not be able to participate in gainful employment for the rest of his life, and will undoubtedly require more assistance as he advances in age. The disability of a permanent and total injury does not end after a specified number of weeks. Neither should the benefits.

16. Double Benefits to Illegally Employed Minors. A reasonable assumption is that a minor will not have reached his full earning capacity at the time of injury. His compensation benefits will be at a lower amount than an older worker. This can work an extreme hardship on a young worker if the injury results in permanent total disability. Thus, it is only just to provide double benefits to minors injured while illegally employed. Provisions for double compensation also help to insure strict compliance with child-labor laws.

17. Maximum Cash Benefits in Your State Equal to at Least Two-Thirds of Your State's Average Weekly Wage in Covered Employment. The full value of the benefit provisions of most state workmen's compensation laws are denied injured workers by stated maximum amounts that an injured worker can receive. These maximum limitations originally were high enough that a large majority of injured workers could receive adequate benefits. There has been a lag between the normal rise in wages, the cost of living, and action by state legislatures to raise maximum benefit restrictions. For example, in 1940 only ten states had maximum benefit levels for temporary total disability less than two-thirds of the state's average weekly wage and only four of these less than 60 percent and none less than 50 percent.

18. Administration of the Workmen's Compensation Law by a State Agency. The administration of a workmen's compensation law should be placed in the hands of a department under a director who shall supervise all personnel necessary to assure that benefits intended under the law are fully and promptly provided the injured worker. Administration of a workmen's compensation law requires much effort in many complex areas such as medical care, rehabilitation, supervision of benefit payments, etc. Court administration is not adapted for these purposes.

19. Judicial Review Limited to Questions of Law. The purpose for the establishment of workmen's compensation laws was to take settlement claims as much as possible out of the courts and reduce litigation. One way to help reduce litigation is to give the administrative agency exclusive jurisdiction over questions of fact, with appeals to the courts limited to questions of law.

The above are minimum standards. The following pages show how the Workmen's Compensation Law of your state compares with these minimum standards.

School for Workers
University of Wisconsin

Points for a Local Union Workmen's Compensation Program

1. Every steward should investigate all injruies in his department. He should see that:
   a. Injury is reported to the company authorities, at once.
   b. Employee receives immediate medical attention.
   c. He (the Steward) makes a full record of the injury including name of the injured, address, date, time, description of the injury, and other details.

2. A committee of the local should be designated to carry the responsibility for workmen's compensation cases in the local -- either an existing committee or a new committee -- such as a Welfare Committee, Health & Safety Committee, Union Counseling Committee, Workmen's Compensation Committee, etc.

3. A copy of the Steward's Injury Report should go to the committee handling workmen's compensation cases.

4. The committee should investigate case at once to see that the injured member:
   a. Receives proper medical attention
   b. Receives all benefits immediately due him.
   c. Receives information about legal rights and instruction in procedure.

5. Member should be instructed to contact committee when company proposes a settlement or in six months.

6. Committee record of the case should be filed so that case will be checked again in six months and contact with member can again be made to see what progress is made on the case, so legal time limits do not expire.

7. At the time of final settlement member and the committee should get together so that offer can be reviewed in the light of legal rights of member and so that he has opportunity to obtain legal counsel, if necessary.

8. The Steward should also follow through on each case he has reported and see that either the committee is taking care of it or see that necessary assistance is available.

9. Committee should carry on an educational campaign in local as to member's rights and benefits under the Workmen's Compensation law using the membership meetings, publications, bulletins, and other means available. They should also thoroughly learn the law and its interpretation and follow proposed changes in the law and recommend improvements to their local and international unions (here specific example cases will be important).

Is Self-insurance permissible (~~[illegible]~~ to many outside in [illegible])

b) Until 1954, fissionable materials covered by govt only.

Beginning of private use

c) A wider general concern but lessening of training of people using materials —

d) Lowering of standards of permissible dosage

e) Originally AEC set up own insurance — and insured contractors

Partly due to original secrecy

Now being thrown onto state W.C.

What if safety "film badges" are put to extra exposure by worker to run up count, & vice v. where may lay

What is the injury ?

Can we ever do anything about genetic (next, or 2 generations)

Sterility

What is appropriate benefits — No loss of pay or loss of pay by transfer to non-radiation job.

Some of Unknowns

1) Any body tolerance at all

That any radiation may be harmful

2) Seriousness of cumulative exposure

3) How establish liability

4) Early death —

— determining cause

5) Hazard pay (But then does he get W.C)

6) If outside exposures a part of story

7)

Why Concerned

Problems of older employer in 2nd & 3rd employment under radiation — last employer generally liable, so will they fire older men.

Record 1944 — present AEC

less than 15 lost time accidents

6 deaths

Govt. protections excellent — no spacing

a) of expense for Safety — but now put, competition

Sharing of Costs

Workmen's Compensation

Wisconsin

Compulsory — States split about 50-50

Numerical exemption — 3

Agricultural exemptions — Selected coverage

Occupational Disease Coverage — full
by definition of "injury" as "physical or mental harm to an employee caused by accident or disease."

Ionizing Radiation Coverage — full

Accidental injury — full
Med. Benefits for Occupational Disease — full

Time limit for filing an Occupational Disease claim
2 yrs from date that worker knew or "ought to have" known of his disability & its relation to employment
Subsequent injury fund — Broad Coverage
Maintenance benefits during rehabilitation — Provided
Limits death payments

Workmens Compensation

Benefits for Permanent Total Disability
Benefits for life or period of disability.

Max. Weekly Benefit 60 – 66⅔% (61.54%)
of average weekly wage

(3)

Larry Tellitte, Atty.
10 yrs Ind. Com
13 yrs Pat. practice

Pueblo (USWA) - East Chicago
URWA - East Chicago
Fairbanks Morse

Workmens Compensation
Dif from Unemployment

Remember disease coverage -
What does have Provided
Full hospital care
as long as needed - black lung

URWA
9 out of ten -
just started program
are being taken in

Many Benefits
Temp. totally disabled
Since May 16th 57 $54/week each month goes one off

On basis of 6 day week -
9/9 - each day off

Permanent Disable
(Full care during healing)
Schedule - starting at shoulder joint
Weekly values -
Complete loss
500 weeks
6 weeks - little finger
Easy cases above
Mangled arm - Doc. asses a disability value
20%, etc. of disability -

Who pays — employer

How long have to have worked
no time — except work while injured

* (No benefits for under 3 days) — why not bargain

But after 10th day go back and pick up first 3 days

But treatment or loss of function
Compensated for treatment or loss of function even though not time lost from work

How long before make a claim

2 years after injury if no treatment or claim

6 yrs if treatment, but no loss of time from accident

If benefits paid — case is open for six years from last benefit payment —

4 Date of accident fixes the benefit rate for all time —

Administration

* Not automatic

[Personnel adjusters come out to see if they can avoid paying

Major areas of argument

* Is man's trouble due to what he says (or did) happened to him on job —

Example After back injury (fall down stairs) "he's cured" subsequent troubles "arthritis" —

* "Blabbing Too Much"

Some of obstacles come from individuals "Blabbing too much in plant — to nurse Go in for heat treatment — Complain sore back — maybe goof off — But then comes injury and Co. doesn't recognize — Dr. may agree it was injury

* But then at hearing — questioned
Ever hurt back before
No previous treatment
Dr. Suggests
then —
Insurance Co. puts on the Nurse
with past hospital record —

General Advice

If have problem go to first aid or hospital — talk only about that injury
Don't volunteer information about prior injury) etc.

Nurse & Writing

Make sure if nurse ~~that~~ it writes something that it is what you said —
You may not have it come up until 2 years later — you may well have forgotten by then —
If need be establish taking in a witness — steward or Counselor — "to make the nurse honest" —

Witness

* Law provides choice of Dr.
Dr. - Choice Entitled to see their panel of physicians not just "Come into see the Dr."
You can select your own man from panel.

If he picks a the plant Dr. — then decide you have more serious problem —
you get 2nd choice —
Go to Co. ask for panel — and choose — if they fail to give choice, then you can go to your own choice —

(4) Witness on Dr. Choice Request

When making a request take a witness —
If there is a dispute, you may get stuck personally —

Blue Cross will not cover if it is your mistake if it is an industrial case.

Blue Cross will not cover your mistake

"SRA Clause" — in contracts
Non-industrial — injury or illness away
transplant —
No permanent disability coverage
Temporary benefits only.

Covered while on the job or on the premises — even helping
Be sure to report — Don't be the tough guy

(Otto, George
Nelson appointed to Ind. Com — not approved)
Currently examiner for Ind. Com —
Backed by Gillick)

Back cases —
Chiropractors —

applies here, too.

Foot cases
Chiropodists
Otto as examiner intervened to get
Insurance Co. approval after the fact
& after "cure" — Ins. Co. didn't
want to recognize —
Should make arrangements <u>before</u> you
go — otherwise you may just run
up the bill —

If need special Treatment
Chiropodist
Chiropractor
Arrange in advance — Ins. Co. or Co.
or
I.C. intervene.

The Commission — Its Importance In The Hearing Process

("judging the Rights of the Working man)

Before Gov. Nelson

Chairman of Ind. Com.

Knudson — Claims Dept of Insurance Co.
Hardware Mutual
They write 2nd largest amount of W.C. in the State.

Other members

Enright — (recently removed)

Wm Atkyn — , Quarles, ~~Spaer~~, Quarles ?
Almost exclusively Insurance Cases —

Reversal

Ex. Secty of State Rep. party before he went to Ind. Com.

Mat Schining — now Chairman, Knudson is 2nd
Decisions tend to be 2-1

How long Kas labor take the beating before they wake up —

* [E.F.V. pick some cases & votes as material as important of Admin of laws & politics.]

Assembly tells you how much you get —

Advisory Board — what's proposed

Important of Com. in the hearings
① the injured is 1st witness —

*What's Hearing Like

② Then Dr is on.
③ Examiner ("judge") — Civil Service
full time employees —

④ Reporter takes down all that is said —
After Hearing — matter ready for
decision by the Examiner —
Not filed by mail — about 2 weeks —

If decision is against you — can
appeal — to Industrial Commission —

they review
"Brief" — get it in for review
& the written record.
No oral hearing or testifying

Next step — only time you can go
in Court is to appeal ruling of Ind. Com (Dane
County Circuit Court) — Still no hearing — only
lawyers argue the initial hearings, testimony & rulings —

BREWRY WKS Procedure

Brewery Workers & Comp. Cases
Nearly 12 years

* 1) Advice is made available
Monday Nights — Kilbirth is at Hall
Anyone can come —
Don't have to have appointments
Anyone with questions — not just hurt
Cases come in - for advice —

* Perhaps only on W.S.

In K — if employer sends report of injury to Ind. Com — they must send copy to Local

Then can go out saying to come in on Mon. nights if any problem —

Counseling classes
pit falls of the law —

Worker
~~Ran~~ Most plants find nights from personnel office

* Preparing Case
Start right at point of injury
Co. may take pix, etc. —

70% don't get argument — good percentage — Probably due to Co. remembering that Union hard page

PAGE (s) MISSING

Expenses are borne by person proving case

Fees

Pay in Advance to Dr.
That's what the insurance Co's do.

for examination & report
for appearing at hearing

Fellow employees —
(Sometimes Unions will pay lost time)

Atty's fees
20% of what is in dispute
Set by law —
If no dispute —
Attys may charge 10% &
maximum of $100

Counseling & Info at Bureau — is free —

Nothing if no recovery —

Decisions

Final ——

Interlocutory ——

* "May have to die to win case"

Silicosis

Denied on claim — went all way to Sup Ct.

Ct. turned down

At death — post mortem showed

Sil cosis — wife filed claim —

went to Sup Ct again — insurance

to argued case died with man —

Sup Ct. said no this is wife's

case, proceed,

Age enters in consideration of amount

loss of hearing cases —

~~Also Formula~~

Can't get until retired — 65

all cases — from each year past 50 take away 1½%

from Bennett Disability

In hearing — naturally deteriorates — so

(take additional 1% — this has been removed?)

(25)

Via — get the Ind. Com. forms — Claim —

Via Sammy

States efforts
Less than 1939
Not kept pace with wage rise — fixed cash limits in spite of 90 States
Importance of "political" awareness & action

Establishing case in first instance
Dis. — Lawyer —

Have use law for its original purpose
protect worker

protect to — that's what the enforcing feature

Wis -

Death benefit

is compensation received by injured prior to death deducted from widows & children "death award"

All states provide a special funeral benefit

Actual average payments for death much lower than the stated maximums

Survivors benefits becoming relatively less important part of cash payments made -

Ill - special problem in death benefits -

% of wages recovered in benefit payments

Ill - 1953 Study

1913-1914 - 98% -
1952 - 52%

} ratio of weekly maximum (for injured worker, 1 child) to average weekly earnings -

Wis - what % of wages recovered by class of disability; by "average" family or homemaker.

W.C. Was this an Average day at Work ✓

Injured on Job Average work day

62 – Killed
350 – Permanent injury
7,600 – Serious enough away from work 18 days

Yearly (accidents & disease)
16,000 killed
91,000 permanent (1,600 – "Total")
2 M Temporary

Interventions
Social – Econ History
Legal developments
Industrial change
Moral & Human Concerns
Political Process

W. C. ✓

Theory — Purpose

Witte — "least social costs"

W.C. justified because reduces loss from industrial accident & resultant human, industrial, and financial waste by;

1) Accident prevention

2) manpower rehabilitation

3) elimination of costly litigation and other obstacles to prompt compensation

4) equitable allocation of unavoidable costs.

Sommers: W.C. Does not now meet these requirements
There is A new Social & Industrial environment

Read AMA & AFL-CIO Goals
But this another time

theory in Law:

"Social Compromise" — balancing the sacrifices & gains of workers & mang. & justify "public interest

"Status" — because of Employee Status — the existence of the relationship of Employee to Employment (Sup. Ct — 1924)

W. C.

Insurance

& why no <u>national regulation</u>

1868 Paul v. Virginia 8 Wallace 168

interstate ins. is not interstate commerce

1944 – Insurance was commerce & subject to relevant anti-trust (Sherman)

McCarran Act (later – ?) (Pub. Law 15, 79th Cong)

partial Fed. Laws apply to insurance <u>to</u> <u>extent</u> <u>not</u> regulated by State law.

Insurance Co. & State Ins Com. got busy to forestall further Fed. Regulation

A Model Casualty insurance rating bill

Vague relation to W.C. except most states have included

National Council on Compensation Insurance

the "Self-regulating" agency

p. 138 – generally Ins. Cos. get better talent than state

W. C.

Any Admin or System can be bad

Administration — Agency — "Independent" — Multiply
Court

Kinds of Claims Administration (Uncontested cases

1) Agreement Method — early adopted, hope W.C. would be Self executing — Maj. of States use
Subject to abuse — Unequal parties

2) Direct Payment Method (Wis & Mich)
Carriers Start payments on own initiative
Nothing to sign except actual receipts — No claim with the State, payments to start auto. in 11 days

3) Hearing Method (N.Y)
Every case a hearing — grew from abuses under Agreement Method — esp. language problems.
Crowded docket
Time: worker, M.D., - Carrier
However — Admins relatively well

4) Triple - Form Method (Ohio) (1953) - (Still?) only, but imp.
Worker gets M.D., employer, & Self to each fill out lengthy form
Also excludes State fund
Reported 57 days from injury to time Commission receives report

W.C

Administration

Contested Cases

Agency Review — Commission State

Purpose:

Reduce Volume of litigation

Get rid of legalistic atmosphere

Admin Hearings Supposedly

informal, simple, relaxed rules

of evidence

Has not worked in practice.

Court Review —

Everywhere except Nevada

Fed. Statute for pub empl.

Usually review only "Law" not "fact" questions

22 Jurisdictions Court passes on fact

Varying degrees of fact review

Jury Trials in 6 state — Md., O., Orig., Tex

VT., Wash.

W.C.

STATE CHARTS

State Administration (general)

Salaries not high for size of ~~the~~ job

Tenure is short - 4 years (hardly time to "master the complexities")

Some states affected by 2 year gov. term &
initiative a program from that source.

Civil Service standing - generally lacking -

merit problem
Some standards set in related fields
by Fed. Govt. programs

Overlapping appointments reduce pol. turnover.

Court Administration 5 states
Ala, La., N. Mex., Tenn, Wyoming.
earlier - mis-Administration - with complaint
about accepting any sort of agreed settlement

More recently - tuberculosis offering -
N. Mex 1953 - Carriero ~~supported~~ sponsored a bill
to set up Commission admin.
Labor largely responsible for defeat.

Class Problems

What does worker do
Do you know of other cases
What does steward do — Union do.
Foreman, Nurse —

Class problems:
(Small groups) → (After marital identity as Wis. or Ill.)

Understanding the law

Adequacy of benefits
Rehabilitation
Plant Safety

Union member attitude
└ after payment: satisfied? do they feel (know) that there is other means

Materials

Retain on Wis — Ill
Worked where — of choice
Where employment contracted

Obstacles in Administration of law
How treated — manner
Info available
really making your rights known

Lawyers —

In the Plant
Foreman — Supervision
What does Union do
Plat nurse, Dr. etc.

Foreman was personnel & handled W.C.

Nurses determined

F-M
tried to Bury
Safety Program & Accidents
Reported } Joint

Bobby Hartz on (Attys)
Relief from Works

Come back for general discussion
New problems, Angles, Summing

% of wages recovered

The inequity: fixing a maximum "on top of" — Supplemental either in weekly amounts or total payments imposes maximums on maximums

Tendency (Sommers p. 82)

Approaching a flat-sum system, at a low level, but doing it with complex formulas.

[England has had flat sum system]

Medical Care

Since 1930 all states provide some

before that: frequently med care used all of comp. including "replacement of wage loss"

Much against current figures

but inadequacy of benefits (1952 - 18 jurisdictions had statutory limits

4 weeks (TX) to 9 mos (Mont)

$225 (Pa) to 2,500 (Ky)

Should benefit insurance companies to have good care -

For short-term injured - medical care is the greatest improvement in W.C. (Sommers p. 87)

But partly eaten up by rise in medical costs

Leland Hedrick
Bull #3 6 Crescent
J. Woodward Sayre / Rob. Rowland
NY State School of Ind & Hel Rels

Wis. Questions

How many claims filed against non-insured employers

How many (total) prosecuted for failure to have insurance.
(what kind of employers — small, new?)

Do those professionally involved consider the benefits in Wis. adequate.

If so — why If not, why

Who is on "Advisory Committee"

W. C.

1st Session

1/2 — problem raising
- Adequacy
- Coverage
- interpreting

Ives Decision

Elective Laws

1953 — 26 of 54 laws elective

1960 — 24 of 54 (U.S. Dept of Lab Bull.)

Presumed acceptance

Presume Employer has elected coverage unless gives specific notice

If elects gives up common law defenses

drawbacks

1) - Small employer who is "judgement-proof"

2) Large employer who insures common law risk

3) Depression causes withdrawals — usually least "able"

Employee election — originally in theory could choose to take W.C. or go to court

Now all laws require take W.C.

But has adequacy of benefits comes into doubt the issue is raised again

4) If you can reject then employers have a club over liberalization of law

5) Failure of work to get coverage through Legislation

Exclusions

1) Listed — by industry or occupation
Agricultural, e.g.

2) Size of Firm — 3 or more, etc.
23 juris. cover all

Ins. Co's claim not to like
Accident rate greater
More expensive to administer

3) Hazardous (2 ways)
Too high — N.C. — Sawmills (if Less than 15 5 is standard)
If hazardous, more justification for State to exercise power. — So too low Sometimes Medical

4) Waiting periods
Wis — not first 3 days
Unless goes past 10 days
Collect on 11th day

Go to Leaflet

1
320
1400
16 | 220
16
60
220
16

From
Self-Insurer
Fights everything — Attys's

Retired Safety Director
Plant in Beloit & One in Ill
Moved a dept from B to Ill
There moved to be covered by Wis.
New hires to be covered by Ill.
Company agreed
2 years moved Sept.
have handled some cases under Wis
But have handled one

Nurse — decides if industrial or not — "definitely wrong"
Wrote letter to Ind. Com — sent Nurse Assn Pamp

Safety-man at Iron Works messes up

Permanent Partial Disability Schedule

102.52 In cases included in the following schedule of permanent partial disabilities indemnity shall be paid for the healing period, and in addition thereto, where the employe is 50 years of age or less, for the period specified, at the rate of 70 per cent of the average weekly earnings of the employe, to be computed as provided in section 102.11:

(1) The loss of an arm at the shoulder, 500 weeks;
(2) The loss of an arm at the elbow, 450 weeks;
(3) The loss of a hand, 400 weeks;
(4) The loss of a palm where the thumb remains, 275 weeks;
(5) The loss of a thumb and the metacarpal bone thereof, 125 weeks;
(6) The loss of a thumb at the proximal joint, 100 weeks;
(7) The loss of a thumb at the distal joint, 40 weeks;
(8) The loss of all fingers on one hand at their proximal joints; 225 weeks;
(9) Losses of fingers on each hand as follows:
  (a) An index finger and the metacarpal bone thereof, 60 weeks;
  (b) An index finger at the proximal joint, 50 weeks;
  (c) An index finger at the second joint, 30 weeks;
  (d) An index finger at the distal joint, 12 weeks;
  (e) A middle finger and the metacarpal bone thereof, 45 weeks;
  (f) A middle finger at the proximal joint, 35 weeks;
  (g) A middle finger at the second joint, 20 weeks;
  (h) A middle finger at the distal joint, 8 weeks;
  (i) A ring finger and the metacarpal bone thereof, 26 weeks;
  (j) A ring finger at the proximal joint, 20 weeks;
  (k) A ring finger at the second joint, 15 weeks;
  (l) A ring finger at the distal joint, 6 weeks;
  (m) A little finger and the metacarpal bone thereof, 28 weeks;
  (n) A little finger at the proximal joint, 22 weeks;
  (o) A little finger at the second joint, 16 weeks;
  (p) A little finger at the distal joint, 6 weeks;
(10) The loss of a leg at the hip joint, 500 weeks;
(11) The loss of a leg at the knee, 425 weeks;
(12) The loss of a foot at the ankle, 250 weeks;
(13) The loss of the great toe with the metatarsal bone thereof, 83-1/3 weeks;
(14) Losses of toes on each foot as follows:
  (a) A great toe at the proximal joint, 25 weeks;
  (b) A great toe at the distal joint, 12 weeks;
  (c) The second toe with the metatarsal bone thereof, 25 weeks;
  (d) The second toe at the proximal joint, 8 weeks;
  (e) The second toe at the second joint, 6 weeks;
  (f) The second toe at the distal joint, 4 weeks;
  (g) The third, fourth or little toe with the metatarsal bone thereof, 20 weeks;
  (h) The third, fourth or little toe at the proximal joint, 6 weeks;
  (i) The third, fourth or little toe at the second or distal joint, 4 weeks;
(15) The loss of an eye by enucleation or evisceration, 275 weeks;
(16) Total impairment of one eye for industrial use, 250 weeks;
(17) Total deafness from accident or sudden trauma, 333-1/3 weeks;
(18) Total deafness of one ear from accident or sudden trauma, 50 weeks.

W.C.

(ok.)

Kinds of disabilities that are compensible (last week)

Amounts

theory (on wage loss) 70% of Avg. weekly wage

But Maximum (1961) $60 — Temporary Total

figured on max. weekly wage of $85.72

Min. $8.75

Permanent partial — [$42.75 Max based on

Max Avg. Wage $61.07

Min. 8.75]

Total Permanent — Life —

Reductions after age 50 2½% per year

Diseases — Full Coverage

Non-disabling Silicosis — $7,000

Occupational deafness 216 wks — both

36 wks — one

(different from Schedule

for Accident or Trauma)

Schedule — p. 57.

Burial $350.00

Death — $17,144 maximum

"Formula" for family USWA leaflet

Time for ~~Claims~~ report 30 days, notice; 2 yrs. for claims if no comp.; 6 yrs.

PROJECT PROPOSAL: Injury Experience of Various Selected Wisconsin Occupations

The School for Workers expects to complete a report of settled Workmen's Compensation cases in Wisconsin covering a period from 1950 through 1962. The report, which is based upon statistics released annually by the Department of Statistics of the State Industrial Commission, is intended to provide workers and their representatives with a knowledge of injury statistics related to specific occupations they deal with. Hopefully, the report will allow workers and their unions to set up effective safety programs and bargain with their employers in a more effective manner. The report should also be of interest to Wisconsin employers, insurance carriers and possibly other governmental agencies.

Two additional reports are proposed, as follows:

1. Occupational injuries, reported by industry - This report is intended to overcome a shortcoming of the reports issued by the Department of Statistics; that is, that some occupations are found in so many divergent industries that gross statistics have little meaning in specific cases. The report would include statistics on number of deaths, permanent total disabilities, permanent partial disabilities, temporary disabilities, compensated time loss and total indemnities paid for each of approximately 200 selected occupations found in a variety of Wisconsin industries. The data would be taken from IBM cards prepared by the Statistics Department of the Industrial Commission, covering years 1950 through 1962.

2. Detail on injuries, reported by occupation - This report would be intended to provide workers with an understanding of the source, kind and nature of injuries incurred on specific occupations, as well as the part of body involved, the accident type and the amount of compensated lost time involved in specific cases. The report would be based on a random sampling of injury data between the years 1950 and 1962 for approximately 300 to 400 common Wisconsin occupations. The data would also be drawn from IBM cards prepared by the Statistics Department.

The Statistics Department of the Wisconsin Industrial Commission expressed considerable interest in the two projects described, but do not have sufficient staff or funds to undertake the project in the foreseeable future. They are willing, however, to allow us to borrow their IBM cards for reproduction if we are able to undertake the project.

The project, if approved, would require some faculty time, the services of a research assistant and the use of the University's 1604 computer, the 519 reproducer and the 101 sorter and counter. Since there are approximately 60,000 IBM cards involved, it will be necessary to purchase file space, since there is currently none available on campus. The Industrial Commission is willing to loan us a filing cabinet for a couple of months if we wish to go ahead with the project (since they are going to move to the new State Office Building in January, the IBM cards should be borrowed and reproduced this month, or else the project would have to wait until March or April).

The School for Workers will furnish faculty and research assistant time if the project is approved. Additional help in programming and running the computer and basic machines would be necessary; hopefully, the technical aspects of the project could be handled by Mr. Rathee, the Extension Division's statistician. The project would also require sufficient funds to include purchase of machine time and a file cabinet to store the cards.

Since there is a large amount of useful information stored in these cards, it is possible that other departments in Extension Division might be interested in projects involving Workmen's Compensation statistics.

George Hagglund
December 12, 1963

WORKMEN'S COMPENSATION

William Kuhl, Instructor, School for Workers

Background of Workmen's Compensation

The Wisconsin Workmen's Compensation Act took effect on May 3, 1911. Prior to its enactment a worker injured in the course of his employment could obtain indemnity for the injury and wage loss suffered only through instituting a successful damage suit against his employer. The injured worker's claim for damages was invariably adjudicated in accordance with the common law of employer's liability. This meant that he would collect damages from his employer only if he could prove to the satisfaction of the court that his employer had been at fault - that his negligence was the cause for the injury. The employer in his denial of negligence could use any of the following common law defenses: (1) contributory negligence - the worker could not recover damages if he himself had been negligent in any degree, regardless of the extent of the employer's negligence; (2) the fellow-servant doctrine - the worker could not recover if it could be shown that the injury had resulted from the negligence of a fellow worker; (3) assumption of risk - the injured worker could not recover if injury was due to an inherent hazard of the job of which he had, or should have had, advance knowledge. The result was that it was extremely difficult, time-consuming, and costly for an injured worker to recover by court action indemnity for his injury and wage loss suffered. While efforts were made in the latter years of the nineteenth century to restrict the application of these "common law employer liability" defenses, they proved to be of little value to the injured worker who sought to institute successful court proceedings. A new approach to meeting the cost of industrial injuries was necessary.

Workmen's compensation, like unemployment compensation and old age and survivor's insurance, is a type of social insurance. It seeks to insure that workers injured in the course of their employment receive defined compensatory benefits promptly, regardless of fault, and with a minimum of legal formality. In substituting a statutory indemnity procedure for the filing of a damage suit by the injured worker, it fixed the liability for an industrial injury on the employer without regard to fault. The basis for the common law doctrine of employer's liability was thus disregarded. Workmen's compensation is a declaration that injured workers shall receive predetermined indemnity for their injury and wage loss suffered as a matter of right. Compensation shall not be denied a worker injured in the course of his employment. While workmen's compensation legislation directs that the cost of industrial injuries shall be a liability of employers, it recognizes that such costs should be borne by society as a whole. This transfer of liability occurs when the employer in insuring his liability includes this cost in his over-all costs of production. Society in the role of consumers bears the cost of industrial injuries under workmen's compensation. Workmen's compensation is thus that type of social insurance which seeks to provide workers injured in the course of their employment with a minimum of economic protection.

1. What is the purpose of the Wisconsin Workmen's Compensation Act?

TO PROVIDE MEDICAL AND MONETARY BENEFITS TO ELIGIBLE EMPLOYEES WHO SUSTAIN AN INJURY ARISING OUT OF AND IN THE COURSE OF THEIR EMPLOYMENT, AND DEATH BENEFITS TO THEIR DEPENDENTS.

2. Who is covered by the Wisconsin Workmen's Compensation Act?

ALL EMPLOYEES WHO WORK FOR AN ESTABLISHED UNIT OF GOVERNMENT, A "PERSON, FIRM OR CORPORATION WHICH USUALLY EMPLOYS THREE OR MORE EMPLOYEES," OR A VOLUNTARILY COVERED EMPLOYER EXCEPT FARM LABORERS AND DOMESTIC SERVANTS.

Employee is defined to include:

"Every person in the service of another under any contract of hire, express or implied, all helpers and assistants of employes, whether paid by the employer or employe, if employed with the knowledge, actual or constructive, of the employer, including minors...but not including (a) farm laborers, (b) domestic servants..."

102.07 (4)

Employer is defined to include:

"(1) The state, each county, city, town, village, school district, sewer district, drainage district and other public or quasi-public corporations...

"(2) Every person, firm and private corporation ...who usually employs three or more employes...The provisions of this subsection shall not apply to farmers or to farm labor...

"(3) Every person, firm, and private corporation...to whom subsection (2) is not applicable, who has...elected to become subject to the provisions of this chapter..."

102.04

3. What conditions of liability must exist before an employee is eligible to receive workmen's compensation?

1) HE MUST HAVE SUSTAINED "AN INJURY"

"Injury" is defined as "mental or physical harm to an employe caused by accident or disease, and also damage to or destruction of artificial members, dental appliances, teeth and eyeglasses, but, in the case of eyeglasses, only if such damage or destruction resulted from accident which also caused personal injury entitling the employe to compensation therefor..."

102.01 (2)

2) HE AND HIS EMPLOYER, AT THE TIME OF THE INJURY, MUST HAVE BEEN SUBJECT TO THE COMPENSATION ACT
102.03 (1)(b)

3) HE, AT THE TIME OF INJURY, MUST HAVE BEEN "PERFORMING SERVICE GROWING OUT OF AND INCIDENTAL TO HIS EMPLOYMENT" (injured during his employment)
102.03 (1)(c)

4) THE INJURY MUST NOT HAVE BEEN "INTENTIONALLY SELF-INFLICTED"
102.03 (1)(d)

5) THE ACCIDENT OR DISEASE CAUSING INJURY MUST HAVE ARISEN "OUT OF HIS EMPLOYMENT" (injured because of his employment)
102.03 (1)(e)

4. What conditions will disqualify an injured employee from receiving workmen's compensation?

1) FAILURE TO NOTIFY THE EMPLOYER WITHIN 30 DAYS OF THE OCCURRENCE OF THE INJURY

"No claim for compensation shall be maintained unless, within 30 days after the occurrence of injury or within 30 days after the employe knew or ought to have known the nature of his disability and its relation to his employment, actual notice was received by the employer or by an officer, manager or designated representative of an employer." However, "absence of notice shall not bar recovery if it is found that the employer was not misled thereby."
102.12

2) FAILURE TO FILE FOR COMPENSATION WITHIN TWO YEARS FROM THE DATE OF INJURY OR DEATH (SIX YEARS IF ANY COMPENSATION WAS PAID)

"Regardless of whether notice was received, if no payment of compensation (other than medical treatment or burial expense) is made, and no application is filed with the commission within 2 years from the date of the injury or death, or from the date the employe or his dependent knew or ought to have known the nature of his disability and its relation to the employment, the right to compensation therefor shall be barred, except that the right to compensation shall not be barred if the employer knew or should have known, within the 2-year period, that the employe had sustained the injury on which claim is based."
102.12

"The right of an employe...or dependent to proceed under this section shall not extend beyond 6 years from the date of the injury or death or from the date that compensation (other than medical treatment or burial expenses) was last paid, (or would have been last payable if no advancement were made), whichever date is latest."

102.17 (4)

3) FAILURE TO SUBMIT TO A "REASONABLE EXAMINATION BY A PHYSICIAN PROVIDED" BY THE EMPLOYER

"Whenever compensation is claimed by any employe, he shall, upon the written request of his employer, submit to reasonable examination by a physician, provided and paid for by the employer, and shall likewise submit to examination from time to time by any physician selected by..(the Industrial Commission)... The employe shall be entitled to have a physician, provided by himself, present at any such examination. So long as the employe, after such written request of the employer, shall refuse to submit to such examination, or shall in any way obstruct the same, his right to begin or maintain any proceeding for the collection of compensation shall be suspended; and if he shall refuse to submit to such examination after direction by the commission...or shall in any way obstruct the same, his right to the weekly indemnity which shall accrue and become payable during the period of such refusal or obstruction, shall be barred."

102.13 (1)

6. What benefits does the Workmen's Compensation Act provide for injured employees?

1) THAT MEDICAL CARE WHICH IS "REASONABLY REQUIRED TO CURE AND RELIEVE...THE EFFECTS OF THE INJURY" (full medical benefits)

"The employer shall supply such medical, surgical and hospital treatment, medicines, medical and surgical supplies, crutches, artificial members, appliances, and training in the use of artificial members and appliances...as may be reasonably required to cure and relieve from the effects of the injury, and to attain efficient use of artificial members and appliances, and in case of his neglect or refusal reasonably to do so, or in emergency until it is practicable for the employe to give notice of injury, the employer shall be liable for the reasonable expense incurred by or on behalf of the employe

in providing the same. The employer shall also be liable for reasonable expense incurred by the employe for necessary treatment to cure and relieve him from the effects of occupational disease prior to the time that the employe knew or should have known the nature of his disability and its relationship to employment..."
102.42 (1)

"The employe shall have the right to make choice of his attending physician from a panel of physicians to be named by the employer...(The panel shall consist of) a reasonable number of competent and impartial physicians...Nothing contained in this section shall limit the right of the employe to make a second choice of physician from the panel of physicians named by the employer."
102.42 (2)

"No compensation shall be payable for the death or disability of an employe, if his death be caused, or insofar as his disability may be aggravated, caused or continued (a) by an unreasonable refusal or neglect to submit to or follow any competent and reasonable medical or surgical treatment, (b) or, in the case of tuberculosis, by his refusal or neglect to submit to or follow hospital or sanatorium treatment when found by the commission to be necessary. The right to compensation accruing during a period of refusal or neglect under (b) shall be barred, irrespective of whether disability was aggravated, caused or continued thereby."
102.42 (7)

2) MONETARY COMPENSATION IF THE INJURY "CAUSES DISABILITY" (monetary benefit for lost wages)

"If the injury causes disability, an indemnity shall be due as wages...after the employe leaves work as the result of the injury, and shall be payable weekly thereafter, during such disability."
102.43

A) WAITING PERIOD OF THREE CALENDAR DAYS UNLESS DISABILITY CONTINUES LONGER THAN TEN CALENDAR DAYS

"An indemnity shall be due as wages commencing with the fourth calendar day, exclusive of Sundays only, excepting where such employees work on Sunday, after the employe leaves work as the result of the injury...If the disability shall exist after ten calendar days from the date the employe leaves work as a result of the injury and

only if it so exist indemnity shall also be due and payable for the first three calendar days, exclusive of Sundays only, excepting where such employes work on Sunday."
102.43

B) AMOUNT OF WEEKLY INDEMNITY (amount of monetary compensation)

Total Disability

70% of the injured employe's average weekly earnings with a maximum weekly indemnity of $49.00 and a minimum indemnity of $8.75 for temporary total disability and $14 for permanent total disability.

"If the injury causes total disability, seventy per cent of the average weekly earnings during such total disability."
102.43 (1)

"The average weekly earnings for temporary disability shall be taken at not less than $12.50 nor more than $70; for permanent total disability or death at not less than $20 nor more than $70..."
102.11 (1)

"Daily earnings shall mean the daily earnings of the employe at the time of the injury in the employment in which he was then engaged. In determining daily earnings...overtime shall not be considered...The average weekly earnings shall be arrived at by multiplying the daily earnings by the number of days and fractional days normally worked per week at the time of the injury in the business operation of the employer for the particular employment in which the employe was engaged at the time of his injury."
102.11 (1)(a)

"Average weekly earnings shall in no case be less than actual average earnings of the employe for the calendar weeks during the year before his injury within which the employe has been employed in the business, in the kind of employment and for the employer for whom he worked when injured..."
102.11 (1)(d)

"Average weekly earnings shall in no case be less than 30 times the normal hourly earnings, at the time of injury..."
102.11 (1)(f)

Permanent Partial Disability

70% of the injured employe's average weekly earnings with a maximum weekly indemnity of $37.00 and a minimum indemnity of $14.00

"Permanent partial disability not covered by the provisions of sections 102.52 to 102.56...shall be payable at the rate of 70 per cent of the average weekly earnings of the employe to be computed as provided in section 102.11."

102.44 (3)

"In cases included in the following schedule of permanent partial disabilities indemnity shall be paid... at the rate of 70 per cent of the average weekly earnings of the employe, to be computed as provided in section 102.11."

102.52

"The average weekly earnings...for permanent partial disability (shall be taken) at not less than $20 nor more than $52.86."

102.11 (1)

Partial Disability

That per cent of the weekly indemnity rate for total disability which is the relationship of the actual wage loss of the injured employee to his average weekly wage.

"If the injury causes partial disability, during the partial disability, such proportion of the weekly indemnity rate for total disability as the actual wage loss of the injured employe bears to his average weekly wage at the time of his injury."

102.43 (2)

"If the disability period involves a fractional week, indemnity shall be paid for each day of such week, except Sundays only, at the rate of one-sixth of the weekly indemnity."

102.43 (4)

C) DURATION OF WEEKLY INDEMNITY (length of monetary compensation)

Temporary Disability

"If the injury causes total disability...during such total disability."

102.43 (1)

Permanent Total Disability

"In the case of permanent total disability aggregate indemnity shall be weekly indemnity for the period that he may live."

102.44 (2)

Permanent Partial Disability

a) Schedule of Permanent Partial Disabilities

Healing period plus the statutory specified number of weeks for the particular disability. The number of weeks is reduced if the injured employe is over 50.

"In cases included in the following schedule of permanent partial disabilities indemnity shall be paid for the healing period, and in addition thereto, where the employe is 50 years of age or less, for the period specified..."

102.52

"In cases where the injured employe is above 50 years of age when injured the periods for which indemnity shall be payable...shall be reduced from those specified in section 102.52 by 2½ per cent for each year that the age of such employe exceeds 50, with no reduction in excess of 50 per cent."

102.53 (2)

b) Non-Scheduled Partial Disabilities

Per cent of permanent total disability as a per cent of 1000 weeks for employes 50 years of age or less. The number of weeks is reduced if the injured employe is over 50.

"For permanent partial disability not covered by the (law's schedule) the aggregate number of weeks of indemnity shall bear such relation to the number of weeks set out in paragraphs (a) and (b) as the nature of the injury bears to one causing permanent total disability...Such weekly indemnity shall be in addition to compensation for healing period and shall be for the period that he may live, not to exceed, however, these named limitations, to-wit:

(a) One thousand weeks for all persons 50 years of age or less.
(b) For each successive yearly age group, beginning with 51 years, the maximum

limitation shall be reduced by 2½ per cent per year, with no reduction in excess of 50 per cent."
102.44 (3)

D) REHABILITATION BENEFITS

"Temporary disability, during which compensation shall be payable for loss of earnings, shall include such period as may be reasonably required for training in the use of artificial members and appliances, and shall include such period as the employe may be receiving (vocational) instruction...Temporary disability on account of receiving instruction of the latter nature, and not otherwise resulting from the injury, shall not be in excess of 40 weeks."
102.43 (5)

E) DEATH BENEFITS FOR THE DEPENDENTS OF A DECEASED EMPLOYE

1) A person wholly dependent upon the deceased employe for support may receive a maximum death benefit of $14,000. The minimum death benefit payable is $4,000.

"Where death proximately results from the injury and the deceased leaves a person wholly dependent upon him for support, the death benefit shall equal four times his average annual earnings..."
102.46

"Death benefit, other than burial expenses, except otherwise provided, shall be paid in weekly installments corresponding in amount to fifty per cent of the weekly earnings of the employe, unless otherwise ordered by the commission."
102.48 (3)

2) Children of the deceased employe may receive a maximum death benefit of $3,733.33.

"Where the beneficiary...is the wife or husband of the deceased employe and is wholly dependent for support, an additional death benefit shall be paid... for each child by their marriage living at the time of the death of the employe, and who is likewise wholly dependent upon him for support. Such additional benefit shall be computed from the date of the death of the employe as follows: For the child one year of age or under...a sum equal to 1-1/15 times the average annual earnings of the deceased employe. For children in each successive yearly age group

the amount shall be reduced by one-sixteenth part of such sum, with no allowance for any child over 16 years of age at the death of the employe..."
102.49 (1)

3) Burial expenses with a maximum of $350.

"In all cases where death of an employe proximately results from the injury the employer or insurer shall pay the reasonable expense for burial, not exceeding $350."
102.50

F) INCREASED MONETARY COMPENSATION

1) Where the cause of injury is an employer violation of statutory safety regulations, compensation shall be increased by 15%.

"Where injury is caused by the failure of the employer to comply with any statute or any lawful order of the commission, compensation and death benefits as provided in this chapter shall be increased 15 per cent. Failure of an employer reasonably to enforce compliance by employes with such statute or order of the commission shall constitute failure by the employer to comply with such statute or order."
102.57

2) "When the injury is sustained by a minor illegally employed, compensation and death benefits shall be as follows:

a) "Double the amount otherwise recoverable, if the injured employe is a minor of permit age, and at the time of the injury is employed...without a written permit..."
102.60 (1)

b) Treble the amount otherwise recoverable where:

"The injured employe is a minor of permit age, and at the time of the injury is employed... without a permit in any place of employment ...for which the commission...has adopted a written resolution providing that permits shall not be issued."
102.60 (2)

"The injured employe is a minor of permit age, or over, and at the time of the injury is employed...at prohibited employment."
102.60 (3)

"The injured employe is a minor under permit age and illegally employed."
102.60

D) DECREASED MONETARY COMPENSATION

Where the injured employe wilfully failed to obey reasonable safety orders or was intoxicated, his compensation shall be reduced 15%.

"Where injury is caused by the wilful failure of the employe to use safety devices where provided in accordance with any statute or lawful order of the commission and adequately maintained, and their use is reasonably enforced, by the employer, or where injury results from the employe's wilful failure to obey any reasonable rule adopted by the employer for the safety of the employe and of which the employe has notice, or where injury results from the intoxication of the employe, the compensation and death benefit provided herein shall be reduced 15 per cent."
102.58

6. How is a disputed claim to workmen's compensation benefits adjudicated?

1) EMPLOYEE FILES A CLAIM

The injured employe must file with the Industrial Commission an application in writing stating the general nature of his claim.

2) PUBLIC HEARING ON THE CLAIM TO ASCERTAIN THE FACTS

The Industrial Commission shall conduct a public hearing on the application for claim of compensation within "40 days after the filing of such application." The hearing, whose purpose is to permit a determination of the "injury" facts, is conducted by a workmen's compensation examiner.

3) ISSUANCE OF AN ORDER IN REGARD TO THE CLAIM

The examiner after final hearing shall make "findings upon all the facts involved in the controversy," and shall issue an order "which shall state (a) determination as to the rights of the parties." The Industrial Commission may set aside, modify or change this order at any time within twenty days from the date thereof if it shall discover any mistake therein.

4) APPRAISAL OF THE ORDER

"Any party in interest who is dissatisfied with the...order ...may file a written petition with the industrial commission as a commission to review the findings or order...If no petition is filed within twenty days from the date that a copy of the...order...was mailed to the last known address of the parties in interest, such...order shall be considered the...order of the industrial commission as a body..."
102.18 (2)(3)

5) INDUSTRIAL COMMISSION REVIEW OF THE ORDER

"Within ten days after the filing of such petition with the commission the commission shall either affirm, reverse, set aside or modify such...order in whole or in part, or direct the taking of additional testimony. Such action shall be based on a review of the evidence submitted."
102.18 (3)

"The findings of fact made by the commission...shall...be conclusive; and the order...shall be subject to review only in the manner and upon the grounds following..."
102.23 (1)

6) CIRCUIT COURT REVIEW OF THE COMMISSION'S ORDER

"Within thirty days from the date of an order...made by the commission as a body...any party aggrieved thereby may commence, in the Circuit Court for Dane County, an action against the commission for the review of such order..."
102.23 (1)

"The court may confirm or set aside such order or award..."
102.23 (1)

7) SUPREME COURT REVIEW OF THE CIRCUIT COURT'S DECISION

The "commision, or any party aggrieved by a judgment entered upon the review of any order or award, may appeal therefrom within thirty days from the date of service by either party upon the other of notice of entry of judgment...All such appeals shall be placed on the calendar of the supreme court..."
102.25 (1)

Permanent Partial Disability Schedule

102.52 In cases included in the following schedule of permanent partial disabilities indemnity shall be paid for the healing period, and in addition thereto, where the employe is 50 years of age or less, for the period specified, at the rate of 70 per cent of the average weekly earnings of the employe, to be computed as provided in section 102.11:

(1) The loss of an arm at the shoulder, 500 weeks;
(2) The loss of an arm at the elbow, 450 weeks;
(3) The loss of a hand, 400 weeks;
(4) The loss of a palm where the thumb remains, 275 weeks;
(5) The loss of a thumb and the metacarpal bone thereof, 125 weeks;
(6) The loss of a thumb at the proximal joint, 100 weeks;
(7) The loss of a thumb at the distal joint, 40 weeks;
(8) The loss of all fingers on one hand at their proximal joints; 225 weeks;
(9) Losses of fingers on each hand as follows:
  (a) An index finger and the metacarpal bone thereof, 60 weeks;
  (b) An index finger at the proximal joint, 50 weeks;
  (c) An index finger at the second joint, 30 weeks;
  (d) An index finger at the distal joint, 12 weeks;
  (e) A middle finger and the metacarpal bone thereof, 45 weeks;
  (f) A middle finger at the proximal joint, 35 weeks;
  (g) A middle finger at the second joint, 20 weeks;
  (h) A middle finger at the distal joint, 8 weeks;
  (i) A ring finger and the metacarpal bone thereof, 26 weeks;
  (j) A ring finger at the proximal joint, 20 weeks;
  (k) A ring finger at the second joint, 15 weeks;
  (l) A ring finger at the distal joint, 6 weeks;
  (m) A little finger and the metacarpal bone thereof, 28 weeks;
  (n) A little finger at the proximal joint, 22 weeks;
  (o) A little finger at the second joint, 16 weeks;
  (p) A little finger at the distal joint, 6 weeks;
(10) The loss of a leg at the hip joint, 500 weeks;
(11) The loss of a leg at the knee, 425 weeks;
(12) The loss of a foot at the ankle, 250 weeks;
(13) The loss of the great toe with the metatarsal bone thereof, 83-1/3 weeks;
(14) Losses of toes on each foot as follows:
  (a) A great toe at the proximal joint, 25 weeks;
  (b) A great toe at the distal joint, 12 weeks;
  (c) The second toe with the metatarsal bone thereof, 25 weeks;
  (d) The second toe at the proximal joint, 8 weeks;
  (e) The second toe at the second joint, 6 weeks;
  (f) The second toe at the distal joint, 4 weeks;
  (g) The third, fourth or little toe with the metatarsal bone thereof, 20 weeks;
  (h) The third, fourth or little toe at the proximal joint, 6 weeks;
  (i) The third, fourth or little toe at the second or distal joint, 4 weeks;
(15) The loss of an eye by enucleation or evisceration, 275 weeks;
(16) Total impairment of one eye for industrial use, 250 weeks;
(17) Total deafness from accident or sudden trauma, 333-1/3 weeks;
(18) Total deafness of one ear from accident or sudden trauma, 50 weeks.

"WORKMEN'S COMPENSATION"

by Leonard S. Zubrensky, Esq.

I

HISTORY OF THE ACT

1838 -- One year after Lord Abinger announced fellow servant rule, Prussia enacted a law making railroads liable to employees for accidents from all causes.

1854 -- Prussia required employers in certain industries to contribute one half of sickness insurance premiums.

1884 -- Germany adopted first modern compensation system.

1897 -- England adopted its act.

German system was more comprehensive than U.S. (includes sickness) and employees contributed. British system similar to German.

U. S. has employer contribution only and U.S. has less comprehensive.

In 1902 Maryland passed a narrow cooperative accident fund for miners held unconstitutional in lower court decision.

Miners act passed in Montana 1909 and hazardous employment act New York 1910. Both held unconstitutional for taking property without due process under state and federal constitution. (liability without fault)

Wisconsin Act passed 1911, 1st state act to go into effect but not 1st state act passed.

1917 -- U.S. Supreme court held compulsory workmen's compensation acts constitutional.

Last State to adopt act Mississippi 1949.

Estimated that in 1960, 78.2% of all employees covered by compensation acts.

Exclusions are employers with less than three employees and farmers with less than six employees.

All employers three or more automatically covered but can elect to withdraw and be subject to suit for damages in state court.

All common law defenses abrogated assumption of risk, contributory negligence and fellow servant rule. Negligence need not be shown on behalf of employer or employer's employee.

II

ARISING OUT OF AND IN THE COURSE OF EMPLOYMENT

Unexplained accidents

Some states adopt the doctrine that unexplained fall cases are compensable. Wisconsin does not.

If cause of the fall is idiopathic (personal disease or weakness) compensation usually denied unless the employment makes a contribution to ultimate injury, i.e., claimant's job placing him on a height.

Unexplained fall Wisconsin not compensible Nielsen v. Industrial Commission 14 Wis 2nd 112 (1961) where chambermaid fell while returning to hotel from hotel laundry where she had eaten lunch. She could not explain why or how she fell.

However, where can be linked to positional risk theory - compensation awarded.

Claimant fell from platform two feet high and court awarded compensation.

Milwaukee Electric Ry & Light Co. v. Industrial Commission 212 Wis 227 (1933)

Unexplained death cases not compensible without proof that it was the result of employee's work or environment. Tewes v. Industrial Commission 194 Wis 489 (1927) Rick v. Industrial Commission 266 Wis 260 (1954)

When employee found dead under circumstances indicating that death took place within time and space limits of the employment, in absence of any evidence of what caused death, most courts will indulge a presumption or influence that the death arose out of employment, Larson's Workmen's Compensation Law (10.32) Wisconsin follows minority.

Where decedent had heart attack and no exertion shown - majority deny compensation.

(Not unexplained death - idiopathic instead)

Some courts make award even where there is simple unwitnessed heart attack. Priester v. Bynum 244 Miss 185 141 S. (2d) 246 142 S. (2d) 30 (1962).

There is a presumption against suicide.

III

ASSAULTS

Assaults are generally considered to be compensatory even where arising out of dispute between employees.

Exception is the aggressor defense.

Wisconsin holds minority view that initiation of the fight by claimant is alone enough to deprive him of benefits or of having claim fall into category of"arising out of employment". Vollmer v. City of Milwaukee, 254 Wis 162 (1948)

Three lines of reasoning:

A. Contrary to justice and law to compensate aggressor.
B. Fight started by aggressor arises out of own act of aggression and therefore, not out of employment.
C. By initiating hostilities, employee takes self out of course of employment.

IV

Pre-existing disease or infirmity does not disqualify a claim if the employment aggravated, accelerated or combined with the disease or infirmity to produce the death or disability for which compensation is sought. The employer takes the employee as he finds him.

> "Kroger Grocery & Baking Co. v. Industrial Comm'n, 239 Wis., 455, 1 N.W. 2d 802 (1942); M. & M. Realty Co. v. Industrial Comm'n, 267 Wis. 52, 64 N.W. 2d 413 (1954) (preexisting back weakness from prior injuries did not bar award for back injury); Chequamegon Forest Prod., Inc. v. Industrial Comm'n, 7 Wis. 2d 487, 96 N.W. 2d 706, (1959) (award which attributed 7½% permanent partial disability to a fall, as an estimate of the extent to which a preexisting osteoarthritic condition was aggravated, affirmed); Brown v. Industrial Comm'n, 9 Wis.2d 555, 101 N.W. 2d 788 (1960) (exertions and bending involved in performing the usual duties of a bricklayer were sufficient to herniate a previously diseased intervertebral disc." Larson's § 12.20

> "Wisconsin: City of Seymour v. Industrial Comm'n, 25 Wis. 2d 482, 131 N.W. 2d 323 (1964). Claimant's fall aggravated a preexisting spinal tumor. Compensation awarded. " Larson's 1966 Supplement Page 15.

Denials of compensation are usually the result of holdings that the evidence didn't support a finding that the employment contributed to the final result. Mrs. Drenk's Foods Inc. vs. Industrial Commission 8 Wis. 2d 192 (1959)

V

COURSE OF EMPLOYMENT

Going & Coming to Work

Compensation was denied where employee was struck by motorcycle while going to work and was twenty feet from entrance to employer's premises. The accident took place at the point where sidewalk intersected at driveway leading out of employer's premises. Krebs v. Industrial

Commission 200 Wis. 134 (1929).

With respect to journeying to and from meals on the premises of employer the basic rule is that the injury arises in the course of employment. Larson 15•50 Page 234, 235, but where employee leaves premises and struck by car while crossing street or otherwise injured, it is held not arising in the course of employment. Injury during non-paid lunch period on premises is compensatory. Racine Rubber Co. v. Industrial Commission 165 Wis 600 (1917).

Coffee Break Rule.

The operative principle is this:

If the employer, under all the circumstances including duration, shortness of the off-premises, distance, and limitations on off premises activity during the interval, can be deemed to have retained authority over the employee, the off premises injury may be found to be within the course of employment. Larson 15.54 Page 246, 274.

New York affirmed award where employee injured during coffee break sustained while returning to work after getting coffee at the "nearest place" across the street. 2 New York 2nd 949 142 N.E. 2nd 213, 162 New York 2nd 40 (1957).

Presence on Unauthorized Premises.

Will be denied benefits if injured employee is where he has no right to be. Exception is where employer knows of use of forbidden premises.

American Motors Corporation v. Industrial Commission 1 Wis 2nd 261 (1957) where foreman knew of the practice of resting on a stack of boxes and had never forbidden it. Sweeper electrocuted when entered transformer room undeterred by signs prohibiting, [redacted]. Denied.

Seaman Body Corp. v. Industrial Corp. 202 Wis. 13 (1930).

Seeking toilet facilities.

Held compensatory where employee fell into river. Milwaukee Western Fuel Co. v. Industrial Commission 159 Wis. 639 (1915).

Compensation generally paid if injured on premises after work and in process of washing up, taking shower or cleaning clothes. Also includes noon hour ball game on company premises.

Horseplay.

It is clearly established that the non-participating victim of horseplay may recover compensation. Badger Furniture Co. v. Champeau 195 Wis.134 (1928).

Intoxication and violation of known safety rule calls for 15% reduction. 102.58 Wis. Stats.

VI

INJURY FROM USUAL EXERTION

General rule is that when usual exertion leads to something actually breaking, herniating or letting go with an obvious mechanical structural change in the body, the injury is accidental.

Thiesen v. Industrial Commission 8 Wis. (2d) 144 (1959) Acute disc lesion compensatory although main cause of disability was natural physical degeneration incidental to advanced age.

Wisconsin follows majority rule on permitting benefits for gradual injury.

Occupational Disease

Any occupational disease caused by employment causing unemployment is covered under Wisconsin.

VII

BENEFITS

Temporary Total $68.00 per week.

Permanent Partial based on schedule. $44.50 per week. Based on percentage of disability compared to amputation or body as a whole. See 102.52 Wis. Stats.

Example, loss of an arm at Shoulder scheduled at 500 weeks.

500 X $44.50=$22,250.00 Ten percent loss of use would amount to $2,250.00

Where employee is above fifty years of age when injured, payments are reduced by 2½% for each year over fifty.

Disfigurement payment only where there is potential wage loss. Commission may allow such sum as it deems just not exceeding his average annual earnings. See 102.56 Wis. Stats.

Hospital and Medical Benefits

Section 102.42 (2) (3) provides for method of selection of physician which does not take into account the sacred doctor patient relationship and forces employee to forego seeing family doctor where not on panel.

Industrial Commission rule 80.21 provides for exchange of physician's reports where not voluntarily exchanged.

Respondent does not have right to examination of hospital records or treating physician's records as defendant in personal injury suit.

WC 16-B which is form for certified medical report may be used at hearing without presence of physician, if submitted to Industrial Commission within fifteen days prior to hearing. Industrial Commission

rule 80.22 (5).

VIII

THIRD PARTY ACTION

While claim for benefits under workmen's compensation law is exclusive remedy against employer, the injured employee may bring civil action against third party (other than employer) whose negligence caused the injury, i.e., subcontractor who is repairing building where employee works and employee injured due to subcontractor's negligence.

Division of funds in third party actions provides for one-third to attorney, one third of remainder to employee, then reimbursement to employer up to amount employer has paid out in benefits and medical expenses and balance if any to employee. Section 102.29 Wis. Stats.

IX

NOTICE AND CLAIM PERIOD

Purpose of notice is to enable employer to protect himself by prompt investigation and to provide treatment for injury.

Failure to give formal notice is usually no bar if employer has had actual or informal notice or if employee did not know that he sustained an industrial injury.

Section 102.12 provides for notice to employer within 30days after occurrence of injury or within 30 days after employer knew or ought to have known nature of disability. Statute is liberally construed and requires filing of claim within two years from date of injury or from date employee knew or ought to have known the nature of the disability, and its relation to the employment.

Milwaukee v. Industrial Commission 21 Wis (2d) 129 is latest case on notice. Discusses 30 day and 2 year requirement and holds that action not barred if employer not misled and if employer knew or should have known within two year period that employee sustained injury on which claim was based.

X

PROCEDURE FOR HEARING

Petitioner files original and three copies of application of adjustments of benefits with Industrial Commission in Madison. Claim forms are obtained either from Madison or Milwaukee office of Industrial Commission.

Hearing takes place before one examiner. Subpoenas available from Industrial Commission. Certified medical reports may be filed (form WC 16B) if submitted to Industrial Commission fifteen days before date of hearing.

Petition for review from findings and award of examiner must be filed within 20 days of date of findings and award. (102.18 Wis. Stats) Commission can modify, reverse or affirm.

XI

JUDICIAL REVIEW

Findings of fact made by Commission may be appealed if summons and complaint are served upon Industrial Commission within thirty days of date of Industrial Commission action. Industrial Commission must receive sufficient number of copies for all named defendants. (102.23 Wis. Stats.)

Appeal generally based on ground that the findings of fact by Commission do not support the order or award.

Supreme Court will affirm Industrial Commission findings of fact unless such findings are clearly against all credible evidence, or so inherently unreasonable as to not be entitled to any weight.

Northwestern Asbestos & Cork Co. v. Bartelt Asbestos Co. 21 Wis. (2d) 554. Findings of fact of Commission supported by credible evidence and reasonable inferences are conclusive. Duvick v. Industrial Commission (1964) 22 Wis. (2d) 155.

Weight and credibility of conflicting medical testimony in compensation case is for Industrial Commission VanValin v. Industrial Commission (1962) 15 Wis (2d) 362.

XII

AGREEMENTS & SETTLEMENTS

Compromise of dispute does not permit for reopening of case after one year. Stipulation permits case to be reopened within six years to claim additional compensation and medical treatment.

Stipulation governed by Industrial 80.10
Compromise governed by Industrial 80.03
See also Section 102.16 Wis. Stats.

XIII

DEATH BENEFITS

The dependent's right to death benefits is an independent right derived from statute and not from the rights of the decedent, accordingly, death benefits are not affected by compromises or releases executed by decedent or by claimant's failure to claim within statutory period.

See Section 102.46 - 102.49 Wis. Stats. Milwaukee Coke & Gas Co.

v. Industrial Commission (1915) 160 Wis. 247.

XIV

EVIDENCE

Signed statement must be given to employee. Recorded statement must be reduced to writing and copy given to employee. Failure to give employee copy of statement prohibits its use at hearing. Ind. 80.24.

Motion picture evidence permitted in Wisconsin.

Hospital records, if established by certificate, affidavit or testimony of supervising officer or person in charge of records or physician to be such record of patient in question and made in regular course of examination or treatment. See Section 102. 17 (1) (as) Wis. Stats.

XV

ATTORNEYS FEES

Twenty percent of amount in dispute. Where no dispute, and no hearing or appeal is taken, commission may award up to 10% but not to exceed $100.

XVI

STATE ACT VERSUS FEDERAL ACTS

Federal Employer's Liability Act covers railroad workers and permits recovery for pain and suffering but employee must prove employer's negligence. Contributory negligence no defense.

Longshoremen's & Harbor Worker's Act covers waterfront workers not covered by state act. Need not show employer negligence.

Federal workmen's Compensation Act covers all other federal employees and does not require proof of employer negligence.

LABOR'S ECONOMIC REVIEW

PUBLISHED BY AFL-CIO

Vol. 3, No. 8-9 August-September, 1958

In Brief

14,200 workers are killed annually on the job; 85,000 are permanently impaired; 1,823,000 are temporarily-totally disabled producing the goods and services providing the world's highest standard of living.

Workmen's compensation, the oldest of our social insurances, is failing to meet the needs of these injured workers. Rehabilitation is in order.

For less than an additional 2 cents per man-hour of labor, our society could provide a workmen's compensation program which would furnish medical care as long as needed, rehabilitation to the extent necessary to overcome as much of the disability as possible and cash benefits to provide a reasonable standard of living to all workers injured on the job.

20 Years in Retreat

WORKMEN'S COMPENSATION

On January 31, 1908, President Theodore Roosevelt asked the Congress to enact workmen's compensation legislation to protect United States Government employees injured on the job. In the same message, the President urged legislation to protect workers in private employment.

Within the year, Congress enacted the first law granting workmen's compensation benefits to a limited number of government employees.

Within a decade, most of the States had enacted workmen's compensation programs, and by 1948 all the States, Alaska, Hawaii and Puerto Rico had accepted workmen's compensation. As a consequence, American workers today believe when they are injured on the job that medical care will be furnished them as long as they need it, rehabilitation will be provided to the extent necessary to give them every opportunity to overcome as much of their disability as possible, and cash benefits will be paid in amounts adequate to maintain a reasonable standard of living for themselves and their family for the duration of the disability or dependency.

Unfortunately for the dependents of the 14,200 who were killed last year, the 85,000 permanently physically impaired and the 1,823,000 temporarily disabled to the extent that they were off the job at least one full day, workmen's compensation benefits failed to meet their needs.

Goals

Many organizations have reviewed the needs of workers who have sustained job-incurred injuries. A most concise definition of goals to meet the needs of injured workers has been prepared and adopted by the American Medical Association:

AMA

"1. Rehabilitation (including medical care) of the occupationally disabled;

PAGINATION INCORRECT

LABOR'S ECONOMIC REVIEW

ISSUED MONTHLY BY

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS

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Subscription rate for other subscribers: $1.50 per year.

"2. Assured, prompt and adequate indemnity for the occupationally disabled or their survivors; and

"3. Minimal costs to employers and society commensurate with the above provisions." [1]

In principle, the goals of labor and the goals of the American Medical Association and the International Association of Accident Boards and Commissions are the same.

In spite of the commendable efforts of the State Central Bodies of the AFL-CIO to gap the distance between the accepted goals of workmen's compensation and the benefits provided for job-injured workers by State legislation, the gap has not been bridged.

Today millions labor unprotected by workmen's compensation. Only three out of four workers are protected by workmen's compensation against the hazards of injury on the job. State legislatures have applied numerical exemptions; have failed to recognize the hazards of industrial disease; have bowed to the pressure of the agricultural industry; have declared certain industries non-hazardous; and in many States have made coverage voluntary. State administrative rulings and court decisions have often narrowed the area of statutory protection by interpretation. When these various exclusions of coverage are joined together, more than 15 million workers for one reason or another are unprotected by insurance against a job-sustained injury.

Coverage

Elective or Compulsory? Approximately one-half of the States provide compulsory workmen's compensation coverage. The remaining States permit election of coverage in one form or another. If the argument that compulsory coverage of all employers exposed State legislation to attack on the grounds of constitutionality were once true, such argument is no longer valid.

Today, the retention of elective coverage stands as a formidable weapon against labor's efforts to make workmen's compensation an effective program. Employers can and have threatened to escape coverage if benefits were improved. Workmen's compensation ought not to be a "catch what you can" program.

Numerical Exemptions. In the beginning it was thought that if small employers were included under workmen's compensation the administrative burden would be so heavy that prompt adjudication of claims would be impossible. The experience of 24 jurisdictions which make no exemptions based on the number of employees proves that numerical exemptions are unnecessary.

But today many States exempt employers of less than two to less than fifteen workers, the number varying in different jurisdictions. [2]

On the whole, small employers have insufficient assets to protect either the injured worker or the business without compensation insurance. Both should be protected; compulsory workmen's compensation should immediately be enacted in all States which provide numerical exemptions.

Agricultural Workers. The needs of an injured worker should not be determined by his occupation. Although agriculture is one of the more hazardous occupations in our society, agricultural workers (except in Ohio, Hawaii and Puerto Rico) labor unprotected. Eleven States extend limited coverage to agricultural workers. The remaining States and Territories place the risks of injury on the job on the men, women and children who contribute so substantially to our food supply.

Hazardous Employment. Twelve States still retain reference to "hazardous" and "extra-hazardous" employment in their workmen's compensation acts.

Although a number of State courts have recently broadened the scope of "hazardous" occupations, many persons injured on the job are denied compensation because the State limits compensation to hazardous occupations. The Supreme Court of Oklahoma recently held that a filling station unless operated in conjunction with a repair shop was not "hazardous."

[1] "Medical Relations in Workmen's Compensation," A Guide Adopted by the American Medical Association, December, 1955, p. 3.

[2] NOTE: "State Workmen's Compensation Laws," Bulletin 161 (Revised) U. S. Dept. of Labor, August 1957, is the most useful source for comparison of State laws.

Occupational Diseases. Mississippi, Wyoming and Montana make no provision for workmen's compensation for persons injured by an occupational disease. An additional 18 States and Territories limit coverage to a schedule of occupational diseases. Eleven States which extend full coverage of occupational diseases either do not pay benefits for partial disability or limit the benefits payable if the disease is asbestosis or silicosis. Moreover, time limitations for filing and other restrictive wording create legal barriers to compensation for many persons injured by an occupational disease.

Radiation Diseases. The rapidly increasing use of atomic energy for peaceful purposes has exposed many workers to injury different from the experience of other occupational diseases. Scientific experiments today indicate that exposure can kill directly, can bring death indirectly as by cancer, or bring death earlier without relation to known diseases. There is no experience under workmen's compensation to guide us in the protection of persons in the third category. However, for those killed directly or by causally related diseases, workmen's compensation can afford protection for workers and their families.

Today, no State can say: all workers other than casual are afforded protection against the hazards of injury on the job.

Medical Care

Cost of Medical Care. Foremost among the benefits of workmen's compensation should be the medical care furnished to the injured worker.

Although the students of workmen's compensation point out that the inclusion of medical benefits represents the most important progress made in the program over the 50-year period, it should be pointed out that one-fourth of the States still limit by amount or time the medical care furnished workers suffering "accidental" injuries and half of the States still limit the medical care for those injured by occupational disease. To deny further treatment to the individual workman who still needs medical care after being disabled for a period such as six months is nothing but a cruel abdication of responsibility.

Nor is cost the prohibitive factor to unlimited medical benefits. In 1953, the cost experience of States with statutory provisions for unlimited medical benefits which report to the National Council on Compensation Insurance indicated that medical and hospitalization benefits amounted to 23 cents for every $100 of covered payroll[3]—on the average, a little more than ½ cent an hour. At best, therefore, if we accept the national figures measuring the increased cost of medical and

hospitalization care, unlimited medical and hospitalization cost would not exceed at the outside more than three-fourths of a cent per hour or less than 30 cents for every $100 of covered payroll. For an almost negligible increase in cost, all States could furnish unlimited medical benefits to workers injured on the job.

Selection of Physician. The National Association of Manufacturers recently reaffirmed its position that it was in the welfare of injured employees that the company should retain the exclusive right to choose the doctor.

Three-fourths of all workers covered by workmen's compensation must today accept the doctor chosen by the employer or his insurance carrier.

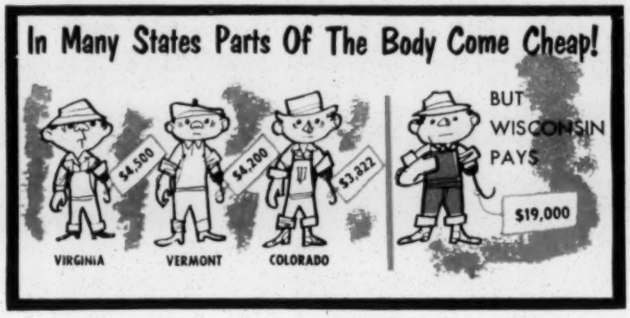
The AFL-CIO opposes this position, because the doctor now has a patient who is in fact not his client. Many times a dispute arises (1) in determining whether or not the injury was causally connected with the occupation, or (2) in evaluating the extent of disability. The volume of conflicting medical testimony indicates that the client-doctor relation too often outweighs the doctor-patient relation.

The American Medical Association has recognized that the company-selected doctor relationship is ethically untenable. The A.M.A. has said: "Disabled employees should have the *right* to accept physicians' services provided by employers, *or to select* another attending physician from a register of all other physicians in the community *willing and qualified* to perform the essential services."[4]

Unlimited medical care is vital to any acceptable workmen's compensation program. The AFL-CIO, as recently as December 1957, stated that an injured worker should have free choice of a qualified doctor. Such a goal can be best implemented by a medical panel. Since the administrative agency has no personal or financial interest in the selection of willing and qualified doc-

[3] "Illustrative Nation-wide Cost Estimate for Workmen's Compensation Programs with Broader Coverage and Higher Benefit Levels," Research & Statistics, Note No. 2, 1955, U. S. Dept. of Health, Education and Welfare, p. 2.

[4] "Medical Relations in Workmen's Compensation," A.M.A., Dec. 1955, p. 4.



tors for medical panels, their appointment should be a responsibility of the administrative agency. To be sure, the appointments should be made in co-operation with the respective medical societies of the separate jurisdictions. As the adopted report of the A.M.A. points out, "The administrative agency must have more than adjudication and appeals functions; it must have an affirmative duty to see that the intent of the law is carried out." To gain co-operation with the medical profession and to achieve the best in medical care, every administrative agency should have a full-time medical director.

Rehabilitation. Workmen's compensation should be dedicated to the proposition that injured workmen should have every opportunity to overcome as much of their disability as possible. But few States have attempted to provide adequate rehabilitation programs.

Only 13 States, Alaska, Hawaii and the District of Columbia have provisions for special maintenance or other compensation of the injured worker during the rehabilitation period. Only Florida, Massachusetts, Minnesota, Missouri, New Jersey, New York, West Virginia and Hawaii have special rehabilitation divisions within their workmen's compensation agency. Only Oregon, Rhode Island, Washington and Puerto Rico have established rehabilitation centers to provide injured workers with modern rehabilitation care. Ohio through its exclusive State Fund provides rehabilitation care through a contractual arrangement with Ohio State University. Medical science has made great progress in the know-how of rehabilitation. The new knowledge and techniques should be put to use for disabled workers. All State compensation acts should provide maintenance benefits and rehabilitation provisions. State agencies should be empowered and given the necessary technical personnel to supervise their rehabilitation programs.

Sub-Standard Indemnity Benefits

The American labor movement believes that an injured worker and his family ought not be condemned to a substantial reduction in living standards during the rehabilitation period. Temporary-total disability is properly measured in wage loss. However, indemnity of permanent-partial and permanent-total impairment should be determined in relation to the injured worker's permanent impairment of earning capacity.

Temporary-total Indemnity Benefits. Most States provide that an injured worker shall receive benefit amounts between 60 and 66⅔ percent of his wage loss while suffering a temporary-total disability. However, the low maximum amounts which are also written into the laws make this impossible.

"In 1939 . . . half the laws provided a maximum of less than $20 a week and $25 was the highest amount payable under the State laws. These dollar maximums were nevertheless high enough so that, in virtually every State, a worker receiving the average weekly wage (as shown by unemployment insurance data) could receive under workmen's compensation the proportion of his wage loss specified in the statute. . . . Since 1939, all but seven States have increased their dollar maximum amounts by at least 75 percent; in 20 jurisdictions the increases have amounted to more than 100 percent. As of August 1957, three-fourths of the laws provided maximum weekly benefits (including allowances for dependents) of $35 or more, with 17 providing $45 or more.

"These higher maximums, however, had still not caught up with rising weekly wages, which had increased from 1939 to 1956 for the average worker covered under unemployment insurance by 210 percent—from $26.17 to $87.17.

"Consequently, *only* seven programs (including the system for Federal employees), with 9 percent of the covered workers, had weekly maximums that were high enough in 1957 to permit the statutory percentage to be effective for workers with average wages though not for many workers with higher-than-average wages." [5]

The left column of the chart on page 55 shows for each State the actual proportion of weekly wages that a worker in receipt of the average 1956 wage would have received in benefits during a period of total-temporary disability under the statutory percentages and maximums effective in August 1957.

In 1951, the U.S. Department of Labor calculated a City Worker's Family Budget to show how much was needed for what it called a "modest

[5] Skolnik, Alfred M., "Trends in Workmen's Compensation: Coverage, Benefits and Costs," Social Security Bulletin, Vol. 21, No. 8, August 1958, p. 11.

but adequate" standard of living. Recently, the AFL-CIO Research Department adjusted the 1951 figures for changes in prices and federal taxes since that date. Today, at least $4,656 a year must be earned by a city worker to support a family (wife and 2 children) on a "modest but adequate" standard of living. This means at least $90 a week.

The average weekly wage in 1956 was $81.17. "For the country as a whole, a single worker with average wages received a weekly rate of compensation, weighted by coverage, estimated at $38.96 or 48 percent of the nationwide average weekly wage." [6] 92.4 percent of single workers with average wages received less than 60 percent of their average weekly wage.

The years from 1939 to 1958 present a grim story of retreat for those who believe that workmen's compensation should provide cash benefits in amounts adequate to maintain a reasonable standard of living for the injured worker and his family.

Permanent-total Disability. Although the loss of adequate workmen's compensation is a serious problem to the worker temporarily but totally disabled, the hardship in most cases is short-lived. The worker, however, who suffers a permanent-partial or a permanent-total disability stands to suffer the remainder of his life. His benefits replace even a lesser amount of his wage loss.

Eighteen jurisdictions place a maximum dollar amount on indemnity benefits for a permanent-total disability. These maximums range from less than $9,000 to $20,000.

Seven States stipulate the maximum number of weeks for which benefits shall be paid. These vary from 400 weeks in Louisiana to 550 weeks in New Mexico. Twenty-five jurisdictions, therefore, stipulate a maximum amount either by dollars, by weeks or by both.

By this device, State legislatures have evaded their responsibility to the most seriously impaired workers and to their families.

The average incurred loss per case for permanent-total disability in 1954 was $16,758. While wages between 1939 and 1954 had increased 185 percent, the cost per case of permanent-total injury had increased only 178 percent.

Permanent-partial Disability. Most permanent-partial disabilities are compensated in accordance with a schedule of benefit amounts. One illustration will suffice to show the unbelievable range of benefit amounts paid by the various States for a single loss. For the loss of an arm (at shoulder) Wisconsin pays an amount equal to 500 times the injured worker's basic benefit amount; Vermont pays 170 weeks. Four States pay less than 200 weeks; 24 States pay 200 or more but less than 250; 12 States pay 250 or more but less than 300; 10 States pay 300 or more but less than 350; 1 State pays more than 350 weeks. Unfortunately, the basic wage is low in many States which pay benefits for a fewer number of weeks, thereby compounding the hardship.

In 1954, the average incurred loss for a *major permanent-partial* was $5,010. Major parts of a body bring bargain prices for an employer in today's workmen's compensation market.

Financing Workmen's Compensation

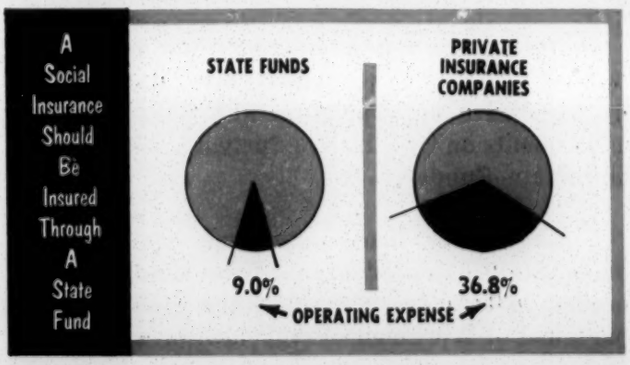
In 1956, total benefit payments, medical and compensation, amounted to $1,002 million. In 17 jurisdictions, representing two-fifths of the covered workers, these benefits amounted to less than ½ of 1 percent of covered payroll in 1956, and in 37 jurisdictions, representing 86.1 percent of the covered workers, amounted to less than 7/10 of 1 percent of covered payroll. [7] "Only in six States with 6 percent of covered employment did benefit payments absorb as much as 1 percent of payroll." [8] The right column of the chart on page 55 breaks down the benefits as percent of payroll by States.

The estimated cost of workmen's compensation to the employers as a percent of covered payroll in 1956 was .92 percent and in dollars amounted to $1,630 million. Substantially, general administration, policywriting, claims investigation and adjustment, safety, taxes and profit consumed the difference between $1,002 million in benefit payments and the $1,630 million set aside by employers.

Employers insure their risk either with a stock

[6] Skolnik, p. 12.

[7] Skolnik, p. 11.
[8] Skolnik, p. 9.



or mutual (private) carrier, with a State Fund (competitive or exclusive) or self-insure. Over the past ten year period the expense ratios of the mutual and stock companies have averaged respectively between three and four times as much as the exclusive and competitive State Funds. As a result, exclusive and competitive State Funds return a greater portion of the premium dollar to injured workers.

The attack against a workmen's compensation program geared to the needs of injured workers is spearheaded by the private insurance carriers. From the dollars paid by consumers for services and set aside by employers for injured workers comes the revenue to fight improved legislation.

In February 1957, the AFL-CIO said: "The time is overdue for a complete investigation of the generosity toward agents, brokers, officials and stockholders of insurance companies compared with the harsh treatment to injured workers. Employers should be required to testify as to why they have tolerated such exorbitant insurance costs—and this testimony laid beside the chronic excuses made by industry as to why it cannot pay decent benefits for the injured." State legislatures should be encouraged to make inquiry into the insurance of workmen's compensation at their regular sessions in 1959.

State Administration

Wyoming, New Mexico, Louisiana, Alabama and Tennessee administer their workmen's compensation laws through the courts. Forty-three States and all the Territories administer their laws through separate commissions or their labor department.

The inherent nature of the court system precludes supervision of medical care, rehabilitation, vocational rehabilitation, the assurance of prompt benefits, and the promotion of safety and health activities.

In 1956, total administrative costs were $17.4 million. Thirty-five percent of this total was met by legislative appropriation and 65 percent by assessments on the carriers (private, self-insurers and State Funds.)

Unfortunately, inadequate funds have crippled many State administrations from doing the job needed to be done. Recently, the Michigan Department of Workmen's Compensation was unable to hold referee hearings for 10 days because it had no funds to pay court stenographers.

On the whole, State administrators prefer to have departmental costs financed through assessments rather than legislative appropriation. Since general funds of States may be hard-put to meet rising costs of government, workmen's compensation may fare better if supported by an assessment against the insurance carriers.

Legislation Needed

In the beginning, workmen's compensation was a marked improvement over the common law. Legislatures have failed to fit their programs to the needs of injured workers.

To remedy the neglect, the Second Constitutional Convention of the AFL-CIO, December 1957, adopted the following objectives:

"Compulsory workmen's compensation must be extended to all workers. Provision must be made for free choice of a qualified doctor, full medical care, hospitalization and, when needed, rehabilitation. Weekly indemnity benefits must be established in amounts equal to at least two-thirds of average weekly wages during disability. And adequate provision must be made for dependents during dependency.

". . . establishment of a workmen's compensation department with right to appeal to an appeals board which has no administrative responsibilities and from which appeal on matters of law only can be made to the highest court in a State will provide a workable procedure to achieve equity and promptness in granting awards to workers injured on the job.

". . . workmen's compensation should be insured through an exclusive state fund in order that benefits can be made adequate at the least cost to society and that safety and rehabilitation programs can be coordinated with administrative efficiency.

"We support the enactment of a Federal Workmen's Compensation Act. Short of this the Congress of the United States should enact legislation fixing minimum standards of workmen's compensation."

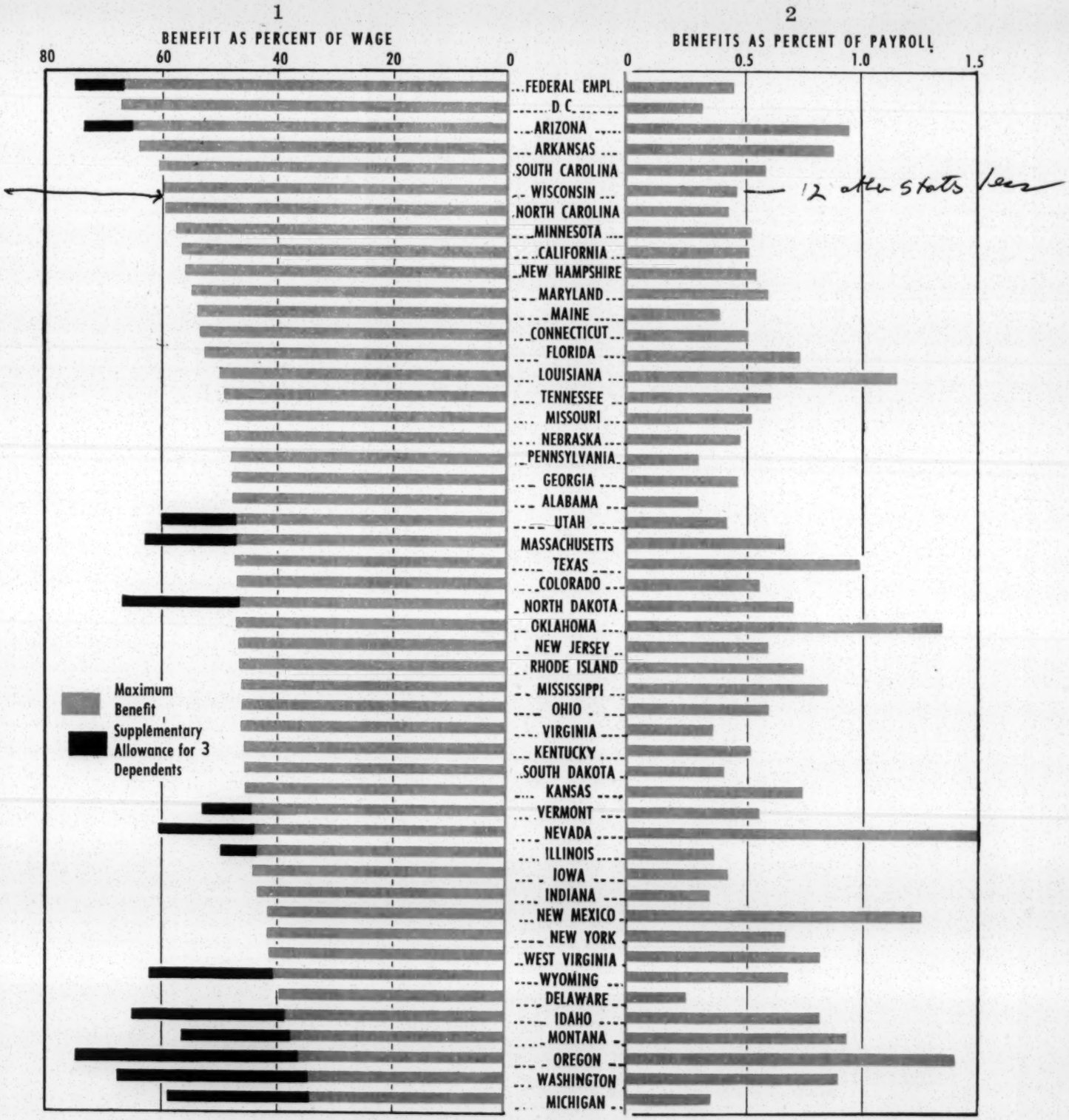
This issue of Labor's Economic Review was prepared by Mr. Clinton Fair, Assistant Director, AFL-CIO Department of Social Security.

[Aug.-Sept., 1958]

States Can Afford to Do Better

1 Maximum weekly benefit for temporary total disability, August 1957, as percentage of weekly wage, 1956 (Column 1)

2 Total Benefits as percent of covered unemployment insurance payroll, 1956 (Column 2)



Source: Skolnik, Alfred M., "Trends in Workmen's Compensation: Coverage, Benefits and Costs," *Social Security Bulletin*, Vol. 21, No. 8, August 1958, p. 11.

Workmen's Compensation, September 1, 1958

Jurisdiction	Temporary Total Disability: Intended Benefit as % of Weekly Wage	Temporary Total Disability: Actual Maximum Weekly Benefit Allowed	Death Benefits: Maximum Duration in Weeks	Death Benefits: Maximum Total Payments	Maximum Medical Care [2]	W.C. Benefits for Rehabilitation	Coverage of Occupational Diseases
Alabama	55–65 [1]	$ 31	300	$12,400	6 mos.—$1,200	No	Limited
Alaska	65	100	.....	9,000–15,000 [3]	4 years	Yes	Full
Arizona	65 [4]	150 [5]	W–C [6]	.....	[7]	Yes	Limited
Arkansas	65	35	450	12,500	[8]	Yes	Full
California	61¼	50	250–312½ [9]	12,500–15,000 [3]	.....	No	Full
Colorado	66⅔	36.75	312	11,466	6 mos.—$1,500	No	Limited
Connecticut	60	45	W–C [6]	.....	.....	No	Full
Delaware	66⅔	35	400 [10]	.....	.....	No	Full
District of Columbia	66⅔	54 [11]	W–C [6]	.....	.....	Yes	Full
Florida	60	35	350	.....	.....	Yes	Full
Georgia	60	30	400	.....	10 wks.—$1,125 [12]	No	Limited
Hawaii	66⅔	75	W–C [6]	25,000	.....	Yes	Full
Idaho	55–65 [1]	28–48 [1]	400 [10]	12,000	.....	No	Limited
Illinois	75–97½ [1]	30–45 [1]	W–C [6]	10,750–13,500 [3]	[8]	No	Full
Indiana	60	36	400	15,000	.....	No	Full
Iowa	66⅔	32	300	.....	.....—$1,500 [13]	No	Limited
Kansas	60	34	W–C [6]	12,500	120 days—$2,500 [14]	No	Limited
Kentucky	65	32	400	12,000	.....—$2,500	No	Full
Louisiana	65	35	400	.....	.....—$2,500	No	Limited
Maine	66⅔	35	300	10,000	[8]	No	Limited
Maryland	66⅔	40	500	10,000	.....	No	Full
Massachusetts	66⅔	35 [15]	400 [10]	10,000 [16]	.....	Yes	Full
Michigan	66⅔	33–57 [1]	450	.....	.....	No	Full
Minnesota	66⅔	45	W–C [6]	17,500	.....	Yes	Full
Mississippi	66⅔	35	450	12,500	.....	Yes	None
Missouri	66⅔	37.50	W–C [6]	12,000	.....	Yes	Full
Montana	50–66⅔ [1]	28–42.50 [1]	500	.....	36 mos.—$2,500 [17]	No	Limited [18]
Nebraska	66⅔	34	325	.....	.....	No	Full
Nevada	65–90 [1]	37.50–51.92 [1]	W–C [6]	.....	[8]	No	Full
New Hampshire	66⅔	37	341	12,617	.....	No	Limited
New Jersey	[19]	40	350 [10]	.....	.....	Yes	Full
New Mexico	60	30	550	.....	.....	No	Limited
New York	66⅔	45	W–C [6]	.....	.....	Yes	Full
North Carolina	60	35	350	10,000	.....	No	Limited
North Dakota	80	31.50–45.50 [1]	W–C [6]	.....	.....	Yes	Full
Ohio	66⅔	40.25	416	12,000	.....	Yes	Full
Oklahoma	66⅔	35	.....	13,500	.....	No	Limited
Oregon	50–75 [1]	30–66.92 [1]	W–C [6]	.....	.....	Yes	Full
Pennsylvania	66⅔	37.50	350 [10]	.....	..... [20]	No	Full
Puerto Rico	60	25	540	9,000	.....	Yes	Limited
Rhode Island	60	32	600	.....	.....	Yes	Full
South Carolina	60	35	350	10,000	.....	No	Full
South Dakota	55	30	.....	7,500–9,000 [3]	20 wks.—$300 [21]	No	Limited
Tennessee	65	32	W–C [6]	11,000	1 year—$1,500	No	Limited [22]
Texas	60	35	360	.....	..... [8]	Yes	Limited
Utah	60	35–47.25 [1]	313	10,206.70–12,552.65 [3]	..... [7]	Yes	Full
Vermont	66⅔	30 [23]	330	9,900	.....—$2,500 [8]	No	Limited
Virginia	60	33	300	9,900	60 days [24]	No	Full
Washington	....	28.85–56.77 [1]	W–C [6]	.....	..... [25]	Yes	Full
West Virginia	66⅔	33	W–C [6]	.....	.....$1,600 [8]	Yes	Full
Wisconsin	70	49 [11]	400	13,000 [26]	.....	Yes	Full
Wyoming	....	30–46.15 [1]	W–C [6]	7,000–13,000 [3]	.....	No	None
U. S. Fed. Employees	66⅔–75 [1]	121.15 [11]	W–C [6]	.....	.....	Yes	Full
Longshoremen	66⅔	54 [11]	W–C [6]	.....	.....	Yes	Full

[1] Lower figure represents benefit for single worker; higher figure represents benefit maximum all dependents.
[2] Benefits may not exceed period of time or amount indicated.
[3] Lower figure represents payments to widow only; higher figure represents benefit maximum all dependents.
[4] Additional benefits for dependents.
[5] Plus $2.30 for each totally dependent.
[6] "W" means payment to widow until death or remarriage; "C" means payment to children until 18. Some jurisdictions have variations of this general principle.
[7] Limited benefits for occupational disease in Arizona and Utah.
[8] Limited benefits for silicosis and asbestosis: Arkansas, Illinois, Maine, Nevada, Texas, Vermont. In West Virginia no allowance for medical treatment for silicosis.
[9] 250 weeks in cases of total dependency; 312.5 weeks in cases of surviving widow and one or more dependent minor children.
[10] Thereafter reduced benefits for children only until 18.
[11] Additional specific cases—rehabilitation, constant attendant, etc.
[12] Period may be extended; amount may be increased not to exceed $375.
[13] $1000 maximum for hospital service and supplies and $500 for medical and surgical services. Commission may authorize an additional $1000.
[14] In extreme cases, Commissioner may require employer to furnish care for a longer period. In case of silicosis, additional period is limited to 90 days.
[15] $35.00 for 13 weeks, then $40; plus $4 for each total dependent.
[16] Additional benefits for dependent child; in Massachusetts, benefits continue until 18, or over 18 if incapacitated, and to widows during periods they are not fully self-supporting.
[17] In case of total disability where the $2,500 is insufficient to meet all hospitalization expenses, additional benefits may be allowed.
[18] A separate act provides for payment of $65 per month from public funds to persons totally disabled from silicosis, if they have been residents of Montana for 10 years.
[19] Benefits set in accordance with a "wage and compensation schedule."
[20] Initial amount for surgical and medical services limited to $450. In addition, hospital services, orthopedic appliances, and prostheses are allowed for first 6 months. Board may order further medical, surgical and hospital services after end of the first 6 month period.
[21] Also hospital benefits not to exceed $700.
[22] Full coverage permissible.
[23] Plus $2 for each dependent child under 21.
[24] May be extended for 1 year including the first 60 days.
[25] Under certain conditions, medical benefits terminate.
[26] Additional benefits payable from Children's Fund to widow for children under 16 (13% of widow's benefit is the weekly or monthly allowance made for each dependent child); or for children over 16 if mentally or physically incapacitated.

NOTE: For a more complete comparison of the laws, write to the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. for State Workmen's Compensation Laws (Bulletin 161, Revised) published by the Bureau of Labor Standards, U. S. Department of Labor. The above material based on that publication.

Note W.C.

AGRICULTURAL WORKERS and WORKMEN'S COMPENSATION

BULLETIN 206

(Revised)

January 1964

U.S. DEPARTMENT OF LABOR

W. Willard Wirtz, Secretary

BUREAU OF LABOR STANDARDS

Arthur W. Motley, Director

Protective Labor Legislation - State

[1964]

Bulletin 264

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Map Series

coverage of Agricultural Workers under State and Federal Labor Laws

U.S. DEPARTMENT OF LABOR
W. Willard Wirtz, Secretary

BUREAU OF LABOR STANDARDS
Arthur W. Motley, Director

1964

Post 1965

Bulletin 282

Report of Work Injuries to Minors Under 18 Years of Age

A Study of 18 Months' Experience Reported by 28 States 1964–65

U.S. DEPARTMENT OF LABOR
W. Willard Wirtz, Secretary
BUREAU OF LABOR STANDARDS
Nelson M. Bortz, Director

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Prof Labor Legislation
Workmen's Comp

Bulletin No. 212
Revised
1967

STATE WORKMEN'S COMPENSATION LAWS:

a Comparison of Major Provisions With Recommended Standards

U.S. DEPARTMENT OF LABOR
W. Willard Wirtz, Secretary
BUREAU OF LABOR STANDARDS
Nelson M. Bortz, Director

AFR. [1968]

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The Labor Month in Review

Workmen's Compensation and New Job Hazards

JOB HAZARDS are an abiding concern, but some recent events have imparted unaccustomed prominence to them. In mid-1967, Secretary of Labor Willard Wirtz, following disclosure that well over a hundred miners had died of lung cancer, established limits on the annual amount of ionizing radiation to which uranium miners may be exposed. Later that year, he issued an interim protective order covering youths in hazardous agricultural occupations. Early this year, the public became aware that a series of private medical studies extending back to 1960 had uncovered an apparent link between contact with asbestos and a rare fatal cancer.

These developments underscore the bizarre potential of technology and progress to generate hazards. As a result, the scope of workmen's compensation, which provides medical care and income for those injured in the line of economic duty, must be continually reconsidered.

New Hazards for Old. A generation ago, the atomic age was just hatching under a football stadium, farm jobs were less mechanized and embraced fewer chemicals, and there was barely a clinical description of the rare cancer (mesothelioma) frequently linked to contact with asbestos.

The ambivalent nature of economic development—bearing social blessings and banes at the same time—existed before the industrial revolution. Then the problem centered on mining and quarrying and the related grinding and polishing processes, and simple metallurgical activities. Silicosis—chronic disease of the lungs caused by breathing dust in mining, grinding, or polishing—is probably the oldest medically described job hazard.

Each wave of industrial and technological progress reduces or eliminates some hazards while bearing potential for more dangerous hazards. The factory system brought sweatshops, unprotected machinery, and unsanitary conditions; and industrial metallurgy introduced the hazards associated with iron, steel, and lead, and more recently, with beryllium, titanium, and cadmium. Another wave of widespread hazards arose with the petrochemical industries and the most recent group of hazards are those associated with newly harnessed sources of energy—radioactive materials, lasers, and ultraviolet rays.

Making Work Safe. Necessity was the mother of enactment of workmen's compensation laws, and before the industrial revolution there was no recognized necessity for them and for the goading effect they had on plant safety and hygiene. The spread of industrialism in the second half of the 19th century and the early decades of the 20th created conditions that clamored for the enactment of something to replace the uncertainties and stretchouts of employer liability laws and the common law. Workmen's compensation laws were passed, beginning with a limited Federal law in 1908 and the first of the State laws in 1911.

Under these laws, the touchstone for compensation is that the injury must "arise out of and in the course of employment." In application, the rules are far from clear-cut and, despite legislative shaping through definitions and other specific guidelines, findings are by no means certain.

Workmen's compensation laws are revised from time to time or interpreted to include impairments not considered when the laws were originally passed. There is a lag between the time an illness or impairment caused by a new process becomes evident and the time required by medical research to fix the cause with reasonable certainty. During the lag, injury and illness are not suspended, and compensation authorities and courts must grapple with questions of legality, cause, effect, and compensability.

Generally, the extension of coverage by amendment, administrative ruling, or judicial finding has moved from physical injury, to both physical injury and occupational disease (where a goodly proportion of the 54 U.S. laws currently rest), to all impairment arising in connection with the job. The latest frontier that workmen's compensation has crossed is compensation for mental or emotional disorder arising out of and in the course of employment.

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The Whole Man. Current medical concern with the health of the whole man promotes greater appreciation of mental health problems in industry. While physical injury on the job is much more widespread than mental trauma, public health officials and others interested in industrial health believe that mental and emotional problems eventually will supplant physical injuries as the most important job hazards.

Many physical job hazards have been eliminated, minimized, or controlled through cooperative action of medicine and engineering, backed by management, labor, and government. Mental and emotional problems arising in connection with the workplace are tougher to solve because the mechanics by which they occur are less understood.

Despite the unsettled state of the medical and engineering arts with respect to cause and prevention of mental and emotional reactions in connection with the job, authorities have to grapple with compensation cases based upon these claims. Writing in the *Yale Law Journal*, Marilyn Cohen characterized the general drift in the cases as predominantly involving the idea that the mental or emotional reaction must result from physical injury (such as loss of an eye) or a job-connected psychological shock that leads directly to the reaction.

However, the cases cited in the *Yale* article indicate the uncertain nature of the award in any specific case either because of provisions in the law or judicial interpretation. In a Nebraska case, the court denied compensation to an elevator operator who suffered a neurotic reaction as a result of spending a half hour in an elevator with a dying man. In a Florida case, the Court held that a nervous reaction resulting from a sideswipe by a truck was not compensable under the law. On the other side, in *Bailey* v. *American General Insurance Company*, a Texas ironworker was awarded compensation for psychoneurotic reaction that prevented his continued employment as an ironworker after he saw a partner plunge to his death.

Typically, the reported cases involve either or both of the requirements that the mental impairment arise out of a physical trauma or a specific psychological shock. But a landmark 1960 case in Michigan broke this tie, awarding compensation for "cumulative pressures" of the job.

At a General Motors plant, an assembly line machine operator had the task of sprucing up hub assemblies and putting them on a conveyor belt. He was unable to keep up with the tempo of the assembly line and his attempts to do so led to scrambled assemblies for which his foreman criticized him. He had a mental breakdown, and a compensation claim was entered. The referee, a divided appeals board, and a divided Michigan Supreme Court, in *Carter* v. *General Motors*, awarded compensation, although the court reduced the award from permanent to temporary disability. The dissenters on the court held that the decision was a clear break with precedent.

Expanding Scope. Commenting on *Carter*, Theodore C. Waters, an attorney with considerable experience representing employers in compensation cases, wrote that "[the case] is indicative of the trend . . . to make an employer responsible under the workmen's compensation laws for any and all human ills that may arise out of and in the course of employment." Whether or not this occurs, coverage under the statutes has already expanded substantially in tandem with new hazards and better understanding of old hazards.

Nowadays, the principle underlying workmen's compensation is well accepted. It is not yet fully accepted that the concept of injury or impairment "arising out of and in the course of employment" includes mental impairment. Nonetheless, the wall between physical injury (or occupational disease) and mental or emotional disturbance has been breached. If compensation trends in physical injury cases and in the troublesome heart cases are indicative of what the future holds for mental impairment cases, then the movement will be from narrowly construed to more broadly rendered compensation.

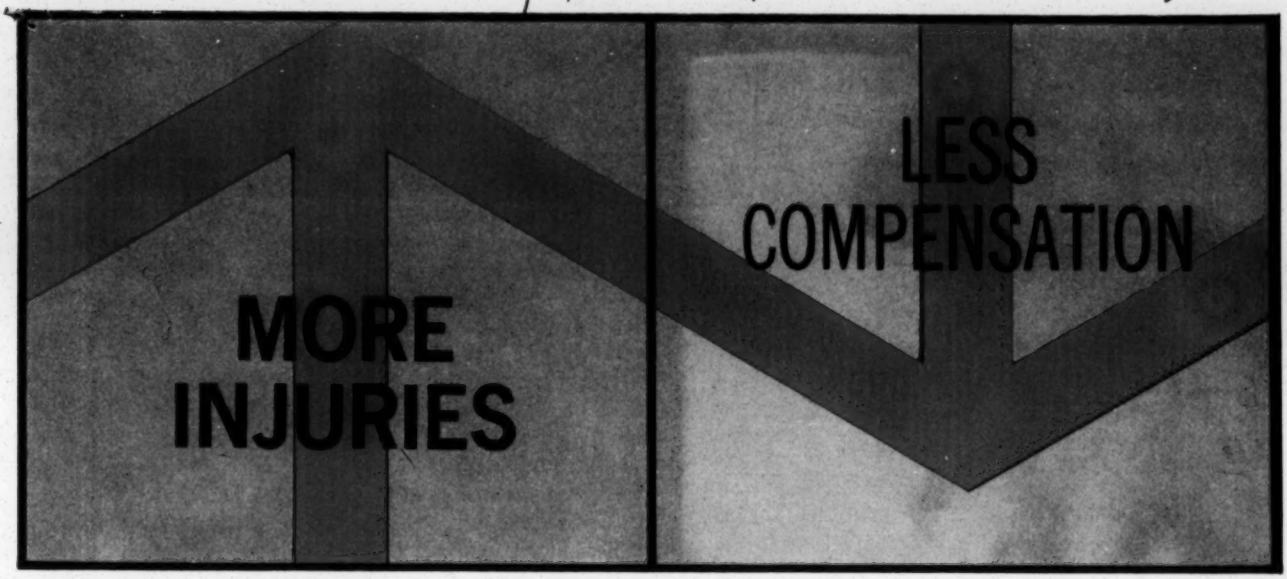
Regardless of how the compensation controversy shapes up, in the long run mental and emotional job hazards will have to be eliminated or at least minimized because they increase production costs. As it was put by Dr. Jean Felton and his University of California colleagues in a HEW publication on occupational medicine: "Plant safety was not achieved by adjusting people to lead poisoning. Neither will mental health in industry be accomplished by attempting to adjust workers to stresses which they clearly regard as intolerable. The worker will be restored to himself and to his work exactly as he was finally protected from toxic exposures: By determining his needs and adjusting the work environment accordingly. . . ."

BES No. U-141

Comparison of State Unemployment Insurance Laws

U.S. DEPARTMENT OF LABOR
W. Willard Wirtz, Secretary
MANPOWER ADMINISTRATION
BUREAU OF EMPLOYMENT SECURITY
Washington, D.C. 20210

Prof. Labor Legs: Workmen's Comp. FEB [1970]



by James O'Brien

Workmen's compensation is the oldest form of social insurance in this country—and it is also the most antiquated.

The system is based on the principle that the possibility of work injury is always present in the production of goods and services. It assumes that injury and disease can never be completely eliminated from the production process and concludes that since society benefits from the production of goods and services, society should bear the cost of adequately compensating the victims of work injuries and diseases. The cost of the system was to be treated as a production expense and added to the price of the product, and this cost was to be paid by the consumer of the goods or services.

The system was devised to meet three major objectives: to assure injured workers prompt payment of wage-loss and medical benefits; to limit employer liability to the degree stipulated in the law without raising the question of fault or negligence and to reduce the cost of industrial injuries to society by minimizing the loss of the injured worker's productive services and the burden on the community of supporting the injured worker and his family.

In terms of lost production, work injuries cost this nation over 200 million man-days each year. Man-days lost because of work injuries have been 5, 10 and even 14 times greater than time lost because of work stoppage in recent years.

Man-days lost because of work injuries have been 5, 10 and even 14 times greater than time lost because of work stoppage in recent years.

These alarming figures have stirred legislative interest. Occupational health and safety has become a matter of concern for legislators at both the state and national levels. However, concern will not improve the situation—it takes legislation. A first step should be substantial improvements in the workmen's compensation system at both the state and national levels.

Much greater federal participation is the foremost need. The most significant immediate step in this direction would be legislation establishing minimum federal standards for workmen's compensation. These federal standards should establish the minimum protection state laws would provide. The current widespread disparity in every aspect of the program can only be eliminated by a federal role in the program.

Coverage has been limited by elective laws that have been recognized for years as obsolete because of provisions allowing employers to reject coverage. Numerical exemptions, along with occupational and industry exclusions, have been recognized by responsible groups as a serious barrier to an effective system. However, these provisions still exist in many state laws.

It is estimated that the application of these provisions denies 20 percent of the work force the protection of the program—approximately 18 million workers are outside the system at this time. At the state level, legislative interest in improving the situation has been negligible. Agricultural, domestic and casual workers are still excluded from the program, as are workers in small firms in 18 states. Exclusions of this type are inconsistent with modern concepts of social insurance, and the failure of state legislatures to remedy this situation demonstrates how unresponsive the system is to the needs of an industrial economy.

The benefit structure—the core of the entire system—has deteriorated woefully in some states. The original goal of workmen's compensation was to restore to injured workers at least two-thirds of the wages lost due to industrial injuries. The gap between this objective and what the law actually provides is one of the most serious inadequacies of our present system.

The Virginia law provides an excellent example of this deterioration. The law specifies injured workers

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are to be paid a weekly benefit equal to 60 percent of their average weekly wage. It then limits the maximum benefit payable to $51 weekly. This limit denies the average worker a wage replacement benefit anywhere near the intended 60 percent.

The average weekly wage reported by employers covered under the Virginia Employment Security Act in 1968 was $107.55. Thus the average worker getting $51 actually would receive closer to 30 percent of his average weekly wage. The great majority of work injuries involve temporary total disability. During 1968, the average period of lost time in each temporary total disability case was 27 days—slightly more than three weeks.

In Virginia, if the average worker were unable to work for a period of three weeks, he would suffer a wage loss of $322.65 (three times $107.55). The workmen's compensation program would require the payment of benefits for only two weeks. His total wage replacement would be a mere $102 (two times $51). Injured workers under these conditions actually suffer a wage loss in excess of 66 percent of their average weekly wage, so Virginia workmen's compensation replaces less than 32 percent of the injured worker's lost wages. For workers earning in excess of the average weekly wage—skilled craftsmen and higher paid production workers—the loss is much greater.

This situation exists throughout the system. Under the circumstances outlined above, the wage replacement benefit in a number of state programs is similar. Based on 1968 state average weekly wage levels and workmen's compensation benefits the percent of lost wages replaced would not exceed 20 percent in Louisiana, 23 in Georgia, 26 in Indiana, 28 in Nebraska and North Carolina, 29 in South Dakota and 34 in South Carolina.

These examples reflect a part of the deterioration that has taken place within the benefit structure of the program. A glance at the benefit structure of the entire system presents a grim picture. The poverty index computed by the Social Security Administration for a family of four allows 25 cents per person for each meal and $1.40 a day for other essential living expenditures. A comparison of workmen's compensation benefits under the various laws reveals that in 31 states the maximum workmen's compensation is below the poverty standard. Thus regardless of wage-earning capacity or family living standards, injured workers are forced to try to maintain a home and family on a wage replacement benefit below a poverty level.

Medical Benefits are elementary to the workmen's compensation since a major goal of the system is the restoration of injured workers to productive employment. Most states have recognized the importance of medical care in speeding recovery, and their programs require complete medical care for injured workmen.

Other states, however, have been unwilling or unable to provide this basic protection to the workers covered by their program. Time or monetary amounts limit medical care under 26 state programs. Many of these states permit the state agency to extend the specified limits, but this procedure falls far short of the standard recommended by compensation authorities. Full medical care for work injuries is one of the workmen's compensation standards recommended by the AFL-CIO, employer representatives, insurance carriers, state workmen's compensation administrators and the U.S. Department of Labor.

Medical benefits limited in duration to 60 days, 10 weeks or 90 days are found in some state laws. Monetary limits of $1,300, $1,700 or $3,000 are imposed in other states. These limits are imposed despite the widespread attention to the rising costs of medical care in recent years. Limitations of this nature may force an injured worker to pay for a share of the medical care required by a work injury. And he must pay for this care with a poverty-level income benefit that replaces a mere 25 or 30 percent of his average weekly wage. These limitations also illustrate the failure of the system to respond to social and industrial changes. However, additional limitations in some states are of an even more serious nature.

Permanent Total Disability, the most serious type of work injury, usually involves paraplegia, loss of sight in both eyes or loss of two major limbs.

Every responsible organization and individual interested in improving workmen's compensation agrees that benefits for permanent total disability should be payable for the period of disability. Yet only 31 states provide this type of protection.

One of the continuing questions in workmen's compensation is how a state legislature can protect workers in cases of permanent total disability and simultaneously limit the duration of benefits to such short-term periods as 5, 8 or 10 years. The absolute limitation on the amount and duration of permanent disability benefits in state programs violates every element of human decency and compassion.

When the compensation limits expire in money or time, the employer or the insurance carriers simply drop the matter on the shoulders of family relatives, the relief rolls or otherwise on the community.

A number of state laws limit permanent total disability benefits to 500 weeks—less than 10 years. So a 30-year-old worker with a wife and two children would be dependent on public welfare by the time he is 40. The community would be saddled with an employer responsibility that involved four people—the injured worker, his wife and two children.

If the workmen's compensation system is to extend assured, prompt and adequate protection for injured workers and their families, the 500-week and similar limitations in permanent injury cases must be eliminated from state programs. The cost of removing this restriction would not be prohibitive. Only a very small percentage of work injuries—one-tenth of one percent—involves permanent total disability and this figure has remained fairly constant.

The seriousness of this problem is clearly reflected

in the proposed congressional amendments to expand the disability features of the Social Security program. The amendments would permit an individual to apply for Social Security disability benefits after three months of disability rather than after six months as currently specified in the law. These proposals would benefit seriously injured workers and their families as well as the communities now supporting the victims of industrial injuries or diseases.

Permanent Partial Disabilities furnish another example of the inequities perpetuated by the unresponsive nature of the compensation system. Injuries of this type are usually classified as schedule or non-schedule. Cases involving the back or head and nervous system are considered to be non-schedule. Cases involving the loss or the loss of the use of a limb, organ or function are compensated according to a specific schedule provided in the state law.

The state programs place a value on the various parts of the worker's body. All states have established maximum limitations on the number of weeks for which benefits can be paid and the amounts which can be paid in permanent partial disability cases. The amount payable is computed by multiplying the maximum number of weeks allowed for the lost limb by the worker's weekly benefit. The weekly benefit amount is, of course, subject to the other limiting provisions specified in the law. The lack of uniform criteria can lead to serious inequities.

The Federal Employes' Compensation Act (FECA) places a value on the eye of a worker that is approximately 5, 6 or even 10 times greater than the benefit provided in state schedules. The toe of a worker in Hawaii is valued at three times the toe of a worker in Oklahoma and twice the toe of a worker in Iowa. A thumb in Wisconsin has more than twice the value of a thumb in Iowa.

The loss of an arm in private employment in the District of Columbia is valued at less than one-fifth the same limb for a federal worker in the same city. The schedule compensation for the loss of an arm in some other jurisdictions is woefully inadequate by comparison with the schedule in other states and it is shameful when compared with the FECA schedule.

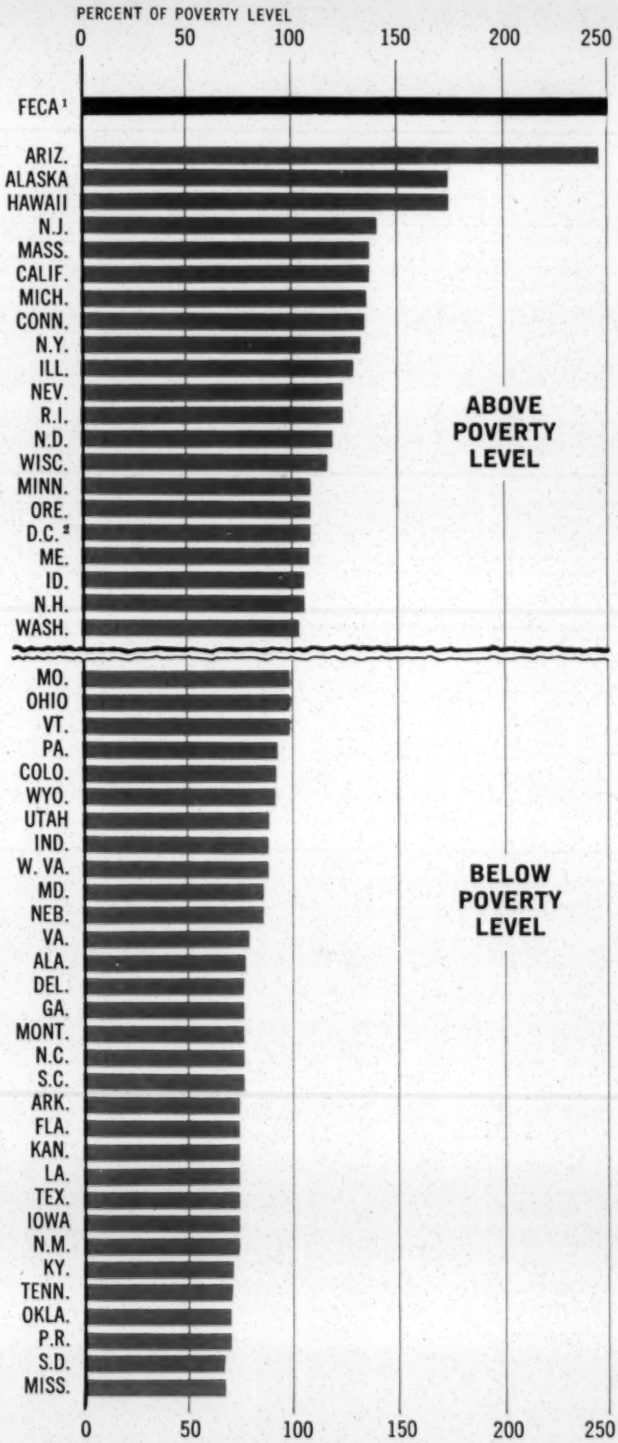
Workmen's compensation can never adequately compensate a worker for the loss of any body function or limb. However, injured workers are entitled to a much improved schedule of compensation than now exists in the 55 unrelated state programs. The absurdity of the wide range of schedule benefits shows in this table of selected state benefit amounts for schedule injuries:

	Maximum Benefit For Loss Of			
State	Arm	Thumb	Toe	Eye
Delaware	$ 12,500	$ 3,750	$ 750	$10,000
D.C.	21,840	5,250	1,120	11,200
Hawaii	35,100	8,437	1,800	18,000
Iowa	10,925	2,850	712	5,937
Oklahoma	10,625	2,550	425	4,250
Wisconsin	23,750	5,938	1,568	13,063
FECA	115,752	27,825	5,936	59,360

Rehabilitation is considered by some authorities to

WORKMEN'S COMPENSATION BENEFITS IN RELATION TO POVERTY LEVEL*

Maximum Weekly Benefits as a percent of Poverty Level
(Income for a Four Member Family**)



[1] FECA maximum benefit equals 633 percent of poverty index.
[2] Longshoremen's and Harbor Workers' Act covers workers in private industry in the D.C.
* Includes dependent allowances where payable.
** 1966 U.S. Department of Health, Education and Welfare Poverty Index for a four member family is $3,335 per year; on a weekly basis this equals $64.14.
Source: U.S. Department of Health, Education, and Welfare, Social Security Administration: "Social Security Bulletin," March 1968.

be a major component of workmen's compensation. The state legislation suggested by the Council of State Governments places major emphasis on rehabilitation. The Department of Labor, the Council of State Governments and the state administrators of workmen's compensation have all recommended the establishment of a rehabilitation division within state workmen's compensation agencies. These groups, along with insurance carriers and rehabilitation personnel, agree that early referral to rehabilitation services is desirable to accomplish maximum recovery. Workmen's compensation agencies receive initial notice of injuries and thus could encourage the injured worker to start rehabilitation soon after his injury.

Unfortunately, progress in meeting this recommended standard has been slow; less than one-half the states have established a rehabilitation division within their workmen's compensation agency. Monroe Berkowitz, in his 1967 study, The Processing of Workmen's Compensation Cases, states ". . . It is sad to observe that one can examine the processing of workmen's compensation cases in so many jurisdictions without encountering any specific rehabilitation procedures. Formal agreements between state agencies administering workmen's compensation and state agencies administering vocational rehabilitation are moldering from disuse. . ."

Another part of this problem is also being ignored by the states. A rehabilitation program involves medical care, counseling and guidance and retraining for the previous job, or possibly new job selection, training and placement. Even in some states where full compensation is paid, workers are required to meet the added expenses related to rehabilitation. The program may require payment of tuition, purchase of tools or equipment or payment of rent while living away from home in addition to the maintenance of the worker's family home or added transportation expenses.

Injured workers can seldom afford these added financial demands following a period of forced unemployment at a substantially reduced income. The financial strain frequently makes it impossible for workers to undertake physical and vocational rehabilitation. Adequate maintenance benefits are essential to the success of any rehabilitation program, but only 24 states make provisions for such benefits.

Fatal Injuries are declining in number. However, 14,300 fatal work injuries were reported by the National Safety Council for 1968.

The decline in fatal work injuries is a welcome trend but it is not a valid reason for neglecting the death benefit provisions of workmen's compensation. The widows and children of fatally injured workmen should be permitted to maintain themselves as family units at their accustomed standard of living. Benefits to widows should be provided until death or remarriage. Benefits for surviving dependent children should be provided until they reach at least 18, or 23 if they are pursuing higher education. Only 16 states provide this type of protection for the families of workers killed on the job.

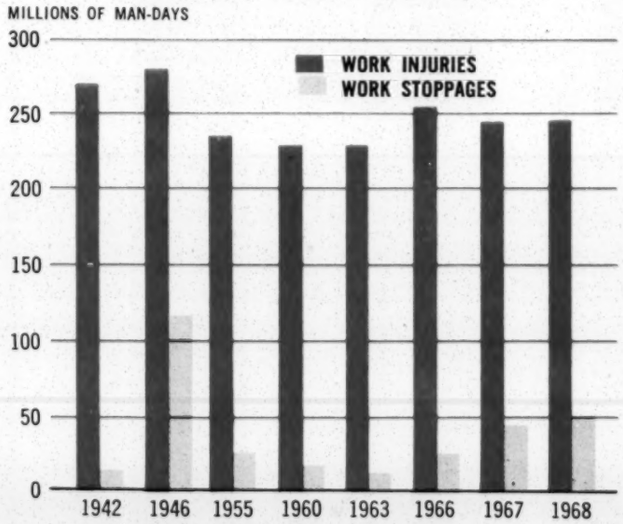
Under the other state programs, the widow and children suffer tragic losses. Companionship, guidance and family counseling are lost forever, yet the potential lifetime income of the family is completely ignored in awarding death benefits. The maximum for a worker's life is $13,500 in Oklahoma; 300 weeks ($14,250) in Iowa; 350 weeks ($15,000) in Florida.

The cost of improving this aspect of the program would not be excessive. The number of deaths resulting from work injuries is small—less than one percent of all work injuries. Significant improvements could be made in the state programs without placing an unreasonable burden on the consuming public.

Occupational Disease must be given full statutory coverage if a state workmen's compensation law is to function as a viable mechanism.

Thirty-four state programs cover all occupational diseases. The remainder cover only enumerated diseases. This means the worker is protected only for diseases specifically mentioned in the law. A lengthy enumeration of diseases is inadequate because schedules of occupational diseases tend to become obsolete and periodic revision can't keep pace.

COMPARISON OF MAN-DAYS LOST TIME RESULTING FROM WORK INJURIES—WORK STOPPAGES
Selected Years: 1942-1968



Source: U.S. Department of Labor and National Safety Council.

New chemical processes are being introduced into industry at the rate of 500 or 600 each year. New devices such as the laser beam and the increasing use of radioactive substances and radioactive machines are exposing greater numbers of workers to occupational disease hazards.

Each year thousands of workers die from the ef-

Workmen's Compensation Under State Laws, Jan. 1, 1970

Jurisdiction	Temporary Total Disability [1]		Death Benefits			Maintenance Benefits for Vocational Rehabilitation	Coverage of Occupational Disease
	Intended Benefit as % of Weekly Wage	Actual Maximum Weekly Benefit Allowed	Maximum Duration in Weeks	Maximum Total Payments	Maximum [2] Medical Care		
Alabama	55-65%	$50*	400	$20,000 [11] *	2 yrs.—$10,000	No	Limited
Alaska	65	113	W,C [4]	20,000	7	Yes	Full
Arizona	65 [5]	150 [5]	W,C-18 [4]	....	20	Yes	Limited
Arkansas	65	49	W,C-18 [4]	....	6 mos. [7]	Yes	Full
California	61¾	87.50	250-293	20,000-23,000	F.P.	No	Full
Colorado	66⅔	59.50	312	18,623-22,567	6 mos.—$5,000 [19]	No	Limited
Connecticut	66⅔	80-120 [6]	W,C-18 [4]	....	F.P.	Yes	Full
Delaware	66⅔	50	400,C-18 [4]	....	F.P.	No	Full
District of Columbia	66⅔	70	W,C-18 [4]	....	F.P.	Yes	Full
Florida	60	49	350	15,000	F.P.	No	Full
Georgia	60	50	400	17,000	$5,000	No	Limited
Hawaii	66⅔	112.50	W,C-18-20 [4]	35,100 [10]	F.P.	Yes	Full
Idaho	60	43-99	400,C-18 [4]	16,000	F.P.	No	Limited
Illinois	65-80	74-91 [12]	W,C-18 [4]	18,000-25,200	20	No	Full
Indiana	60	57	500	25,000 [11]	7	No	Full
Iowa	66⅔	40-56	300	14,250	7	No	Limited
Kansas	60	49	W,C-18 [4]	16,500	$8,500	No	Limited
Kentucky	66⅔	52 [6] *	400	16,000 [11]	7	No	Full
Louisiana	65	49	500	24,500	$12,500 [9]	No	Limited
Maine	66⅔	69 [6]	W,C-18 [4]	....	F.P.	Yes	Full
Maryland	66⅔	55 [12]	500	27,500	F.P.	Yes	Full
Massachusetts	66⅔	70 [13]	400,W,C-18 [4]	....	F.P.	Yes	Full
Michigan	66⅔	69-98	500,C-21 [4]	....	F.P.	Yes	Full
Minnesota	66⅔	70	W,C-18-19 [4]	25,000 [11]	F.P.	Yes	Full
Mississippi	66⅔	40	450	15,000	F.P.	Yes	Full
Missouri	66⅔	64	W,C-18 [4]	20,000	7	Yes	Full
Montana	50-66⅔	42-65 [12]	600	22,200-36,000	36 mos.—$5,000 [14]	Yes	Limited
Nebraska	66⅔	55	325	17,875	F.P.	Yes	Full
Nevada	65-90	57.75-79.96	W,C-18 [4]	....	18	No	Full
New Hampshire	66⅔	67	341	22,847	17	Yes	Full
New Jersey	66⅔	91 [6]	W,C-18 [4]	....	7	No	Full
New Mexico	60	48	500	24,000	5 yrs.—$5,000 [7]	Yes	Limited
New York	66⅔	85	W,C-18 [4]	....	F.P.	Yes	Full
North Carolina	60	50	350	18,000	10 wks. [7]	No	Limited
North Dakota	....	56 and up [6-8]	W,C-18 [4]	....	F.P.	Yes	Full
Ohio	66⅔	63 [12]	....	17,000-20,000	20	Yes	Full
Oklahoma	66⅔	45	....	13,500	60 days [7]	No	Limited
Oregon	66⅔	60-80	W,C-18 [4]	....	F.P.	Yes	Full
Pennsylvania	66⅔	60	W,C-18 [4]	....	1 yr. [15]	Yes [21]	Full
Puerto Rico	66⅔	45	W,C-18-25 [4]	....	F.P.	Yes	Full
Rhode Island	66⅔	70 & up [6-13]	500	....	F.P.	No	Full
South Carolina	60	50	350	12,500	10 wks. [7]	No	Full
South Dakota	55	44	....	15,000-20,000	$1,700 [7]	No	Limited
Tennessee	65	47	W,C-18 [4]	18,800	2 yrs.—$5,000	No	Limited
Texas	60	49	360	17,640	20	No	Limited
Utah	60	47-65	312	14,664-20,280	$1,283.38 [7]	Yes	Full
Vermont	66⅔	56 [6-13]	W,C [4]	17,820	20	No	Limited
Virginia	60	51	400	20,400	90 days [7]	No	Limited [3]
Washington	....	42.69-81.23	W,C-18-21 [4]	....	F.P.	No	Full
West Virginia	66⅔	56 [6]	W,C-18-22 [4]	....	$3,000 [7]	Yes	Full
Wisconsin	70	73	400	20,858 [16]	F.P.	Yes	Full
Wyoming	66⅔	43.85-63.46	W,C-18 [4]	13,000-23,000	7	No	Limited
Federal Employees	66⅔-75	360-405	W,C-18-22 [4]	....	F.P.	Yes	Full

[1] The lower figure represents the benefit for a single worker; the higher the maximum for workers with dependents.

[2] Benefits may not exceed period of time or amounts indicated. F.P. indicates full payment of all medical aid and hospitalization required.

[3] Employer permitted to reject full coverage.

[4] "W" means payment to widow until death or re-marriage; "C" means payment to children until age specified. The higher figure represents age if child is attending approved educational institution. Alaska no age limit; Vermont continues benefits to dependent children regardless of age while they are regularly attending school, and to widows until age 62 if she is then entitled to social security, workmen's compensation benefits may cease, but benefits do not cease in any case until death, re-marriage, or 330 weeks have been paid; Massachusetts continues benefits to children over 18 if they are incapacitated.

[5] Plus an additional $10.00 per month if there are total dependents.

[6] Maximum weekly benefit amount 55 percent of 85 percent of the average wage as computed by the Employment Security Commission in Kentucky, 50 percent of statewide average weekly wage as reported under the State Employment Insurance Act in Vermont, and West Virginia; 55 percent in North Dakota; 60 percent in Rhode Island (but not less than $70.00); 66⅔ percent in Maine and New Jersey and 60 percent of the statewide average weekly wages of production workers in Connecticut.

[7] May be extended by commission without limit; in Kentucky justifiable need must be shown. The commission may authorize up to $25,000 in New Mexico, $21 000 in South Dakota, and extend benefits for three years in Viriginia.

[8] North Dakota provides an additional $5.00 weekly for each dependent, but total weekly benefit cannot exceed former net wages of injured worker.

[9] An additional $12,500 may be ordered by the court.

[10] Dollar maximum does not apply to children under 18, nor to unmarried children over 18 if they are incapable of self-support, nor to widow physically or mentally incapable of self-support.

[11] Disability benefits already made are deducted from death benefits payable. Minnesota limits deduction to $17,500.

[12] Maryland $55.00 for the first 42 days, thereafter ⅔ of statewide average weekly wage; in Ohio during the first 12 weeks of disability the amount is $63.00, but thereafter, the maximum amount drops to $56.00; in Montana benefit is reduced by $5.00 after 26 weeks; in Illinois benefit is reduced to $59.00-$71.00 after 64 weeks.

[13] Massachusetts and Rhode Island provide an additional $6.00 for each total dependent not to exceed average weekly wage of the injured worker. Vermont provides an additional $3.50 for each dependent child under 21.

[14] In cases of occupational disease, no time limit is imposed. If employee with occupational disease is able to continue work, while undergoing medical treatment, medical benefit is limited to $1,000. In cases of total disability where the $2,500 is insufficient to meet all hospitalization expenses, additional benefits may be allowed.

[15] Medical and surgical cost during first 12 months; hospital treatment not to exceed prevailing charges for the same period; may be extended if employee's earning power would be substantially restored.

[16] Additional death benefits payable from the state fund for children.

[17] Reasonable medical and hospital services or other remedial care for 6 months and additional 6 month periods upon written request to the Commissioner. Commissioner may grant extension for additional aid.

[18] Reasonable medical, surgical and hospital treatment and supplies, crutches and apparatus including artificial members.

[19] Additional payments out of Medical Disaster Insurance Fund in excess of payments under Workmen's Compensation Act and Occupational Disease Act, maximum $35,000.

[20] Medical Care may be limited under special circumstances.

[21] Not under workmen's compensation law, but State Board of Vocational Rehabilitation authorized to furnish.

* Alabama $47.00, and $18,800 until July 1, 1970; Kentucky $49.00 until July 1, 1970.

Source: For a more complete comparison of the laws, write to the Superintendent of Documents, U.S. Government Printing Office, Washington, D. C., for STATE WORKMEN'S COMPENSATION LAWS, Bulletin 161 with supplement. Price 30 cents.

fects of coal dust, asbestos, beryllium, lead, cotton dust, carbon monoxide, cancer-causing chemicals, dyes, radiation and pesticides. Other workers suffer long illnesses from the same causes. State legislators, no matter how conscientious can't keep state laws up to date when meeting once every two years. The only sure method of extending protection to workers is to specify that all occupational diseases are covered by the state program without enumerating them.

The lung cancer of uranium miners and the brown lung (byssinosis) of textile workers—both uncompensated—are examples of inadequate occupational disease coverage recently brought to public attention. Situations of this nature, coupled with unresponsive state attitudes, have led to increased interest in federal participation in the program. Congress this year enacted legislation to provide compensation for coal miners suffering from black lung in order to remedy a serious deficiency of this nature in the state programs.

This involves, as a minimum, the dissemination of information and publicity, enforcement of coverage and insurance requirements, supervision of claim settlements, hearing of contested claims, supervision of medical and rehabilitation provisions, promotion of safety and industrial hygiene and collection and analysis of complete records on accidents, claims settlements and benefit payments.

One of the fundamental objectives of our original workmen's compensation laws was to eliminate, as much as possible, the litigation or legal disputation involved in work injury issues. The substitute for the legal right to sue was supposed to be a simple administrative process. The state administrators were expected to make certain that injured workers obtained all their rights without the need for litigation.

Agency spokesmen constantly express their concern for injured workers and their families. They are always quoted as advocates of adequate workmen's compensation benefits and medical care, staunch supporters of accident prevention and great believers in vocational rehabilitation.

However, the record indicates that many state workmen's compensation administrations permit insurance carriers to perform most of the administrative functions related to the law. The carrier receives the claim for compensation, accepts it or denies it, controls payments and terminates benefits with little supervision by the state agency.

This lack of administrative concern for workers covered by a state program is difficult to understand. Many workers—especially young and unorganized workers—have little knowledge or opportunity to become informed on workmen's compensation matters. Far too often, injured workers get their compensation advice from company supervisors or insurance representatives. The least state agencies should do is notify every injured worker of his compensation rights.

The notice should be sent as a routine matter upon receipt of an injury report. It should state clearly and concisely the procedures the worker or his survivors should follow to establish a claim. If the state agency in New York, Wisconsin and elsewhere can provide this service to injured workers, all the state agencies should be able to provide similar services.

Federal participation is essential because of the continued laxity and unresponsiveness, particularly during the past 30 years, on the part of state administrators and legislators. That laxity is the major reason the AFL-CIO adopted a strong policy resolution at its last convention reaffirming its long standing support of federal workmen's compensation standards.

The states have had ample opportunity during the past 50 years to enact effective workmen's compensation legislation. AFL-CIO state affiliates have repeatedly urged passage of state legislation designed to modernize the program. In fact, to the extent the public has a voice in the program, they have indicated a clear desire for improvement. This was seen most recently during the 1968 elections in the state of Arkansas, when a workmen's compensation initiative designed to improve the Arkansas program was readily approved by the voters in that state.

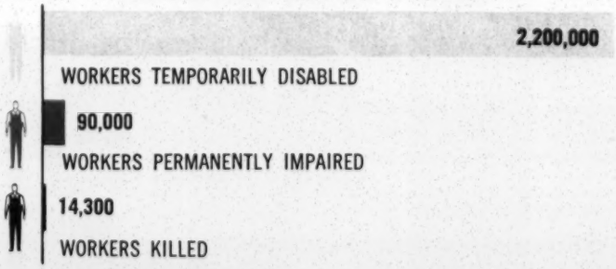
Also in 1968, Congress looked at the state programs and found a need to provide more adequate workmen's compensation protection for law enforcement officers. As a result, Congress—reflecting public concern—extended the protection of the Federal Employes' Compensation Act to local and state law enforcement officers under limited conditions.

Currently there is interest in extending this protection to both policemen and firemen under any circumstances. This development clearly reflects a lack of confidence in the states to respond to society's need in this area of workmen's compensation. A similar concern is developing in regard to occupational diseases. Last year, legislation was introduced in Congress to provide workmen's compensation protection for uranium miners. This year legislation has been enacted to protect coal miners, but these provisions have only limited application and fail to provide the comprehensive reforms needed.

The need for a much greater federal voice in the workmen's compensation program has been recognized by some members of Congress. Legislation designed to establish minimum federal workmen's compensation standards was introduced in Congress in 1969 by Rep. Carl Perkins (D-Ky.) and others.

It would establish minimum federal standards that

ONE YEAR'S TOLL
On-The-Job Injuries in 1968



Source: National Safety Council.

state laws or employers would be required to meet. The standards would be based on the provisions of the Longshoremen's and Harbor Workers' Act.

This bill is the first proposal submitted to Congress that would establish minimum federal workmen's compensation standards, and it is, in the opinion of the AFL-CIO, a significant step in the right direction. It represents a partial response to the nation's interest in establishing and maintaining an adequate system of workmen's compensation. It would firmly commit the federal government to a partnership role in the program. It would strengthen the administration of many state programs, since the benefit structure of only 11 state programs and the FECA equal or exceed the provisions of the Longshore Act. It would also reduce the work-injury cost presently being imposed upon community resources.

The proposal represents only a partial solution, because the Longshoremen's and Harbor Workers' Act also needs to be improved. It meets many of the workmen's compensation standards recommended by the AFL-CIO and meets more of the standards than many of the state programs, but it fails to meet all of them. Therefore, the act itself deserves congressional attention.

This act was last amended in 1961. At that time it was considered a pace-setter among the states, but it has recently lost this position. The benefit structure has lagged behind changes in the wage levels of covered workers. The limitations on medical care are obsolete in terms of a modern compensation program. Workers should be given the right to select a physician of their own choice for treatment and the retroactive benefit period should be reduced.

These are some of the changes needed to modernize the Longshore Act in order to make it a meaningful workmen's compensation standard. If it is to be used as a federal standard, immediate legislative action is needed to restore this act to a place of prominence in the field of workmen's compensation.

Toward A Model Law—the AFL-CIO Program

The following minimum standards for an adequate workmen's compensation program are recommended by the AFL-CIO:

1. Compulsory coverage, with no exemptions for small firms.
2. Full coverage of agricultural workers.
3. Benefit levels sufficient to maintain a decent standard of living for injured workers and their dependents, with maximum weekly benefits of not less than two-thirds of the injured worker's average weekly wage.
4. Reciprocity of benefit rights between jurisdictions.
5. Time limits within which an employe must file a claim for occupational disease should be at least one year after the date of disablement and the worker has knowledge of the nature of his disability and its relation to his job.
6. Full statutory coverage of all occupational diseases.
7. Coverage of diseases caused by ionizing radiation.
8. Full medical benefits for job-incurred personal injuries and occupational diseases.
9. Full compensation protection under second injury funds.
10. Choice of qualified physician by injured workers.
11. The workmen's compensation agency should have the authority to supervise and control medical care.
12. The workmen's compensation agency should include a rehabilitation division which should promote full utilization and development of rehabilitation facilities for the benefit of injured workers.
13. Maintenance benefits during rehabilitation.
14. Administration under a state agency rather than by the courts.
15. An exclusive state compensation fund.
16. Benefits for the totally disabled for the period of disability.
17. In case of death, benefits should be paid to the widow until her death or remarriage and to children during their minority and to other dependents during the period of their inability to support themselves.
18. Minors under 18 who are injured on the job if employed in violation of any state law should be paid double benefits.
19. Prohibition of special contracts with employers whereby a worker with a specific physical defect waives his right to compensation in the event of subsequent injury.
20. Prohibition of lump-sum settlements and compromise of rights to full medical care under compromise and release settlements unless the workmen's compensation agency approves such a settlement on the advice of the appropriate state rehabilitation unit or agency.
21. Judicial review should be limited to consideration of the record of the workmen's compensation agency on questions of law only, without trial de novo. In addition, there should be an appeals board which has no administrative responsibilities and from which appeal on matters of law only can be made to the highest court in the state.

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This article appeared in the Fall, 1971 issue of New South, (Vol. 26, No. 4), a quarterly review of Southern affairs published by the Southern Regional Council, Inc.

BLACK LUNG: TRAGEDY OF APPALACHIA

BY BERNARD ARONSON

Bernard Aronson is a staff writer for the Raleigh Register *of Beckley, West Virginia. His article here was produced under the auspices of the Southern Regional Council's Labor Education Project.*

Sometimes he coughs so hard at night I can't sleep, the bed shakes so.—Elizabeth Vanderpool, wife of Abraham Vanderpool, coal miner, Emma, Ky.

It is one thing to die at 75 of a stroke or a coronary after the productive life of a physician or U. S. Senator, and another thing to die after 20 years of breathlessness where you couldn't mount stairs without stopping two or three times.—Dr. Murray Hunter, testifying before the Senate Subcommittee on Labor hearings on the Federal Coal Mine Health and Safety Act.

If you visit Chester Fletcher at his home in Frozen Creek, Kentucky, more than likely he'll take you out to his shed to show you the painted outline of a fish he caught some years ago. Chester is proud of the fish.

Over 15 pounds. The largest of its kind caught around here.

But Chester doesn't go fishing anymore. Chester doesn't do much of anything anymore. And after you walk the fifteen feet back to the house with him and mount the stairs and watch him gag and choke and struggle to breathe, there's no need to ask why.

The symptoms are well known to anyone who travels in Appalachia. Chester was a coal miner all his life, and Chester has black lung.

Black lung—Coal Workers' Pneumoconiosis or "CWP" — is caused by breathing coal dust. Minute particles of coal dust accumulate in a miner's lungs over the years. Gradually, a sufferer finds himself short of breath. His work becomes exhausting beyond endurance. Even if a miner leaves the mines, the disease often gets progressively worse. In time, many miners become so short of breath that the mildest exertion, a walk up a hill, is an ordeal.

Eventually, black lung kills its victim. He dies from dust-induced emphysema or from heart failure because the victim's scarred lungs cannot transfer enough oxygen to the blood and the heart overexerts trying to pump increasingly greater amounts of blood through the lungs. There is no treatment or cure.

PAGINATION INCORRECT

Chester worked for $8 and $10 a day in the small truck mines that dot the mountains of his native eastern Kentucky. For most of those years, Chester operated a cutting machine which ripped the exposed coal from the seam. He compares the dust raised by the machine to "sawdust flying off a chain saw".

> I've cut in places so dry and so dusty that I couldn't see my buddy five feet away from me, just sort of see his light. Looked like a little lightning bug.

The mines didn't have many fans, Chester says, and the operators didn't "keep the air up".

> You'd get get down in that bad air and your chest would burn like it's on fire nearly and your heart thumps, seems like it's going to knock out of you. I really got dust, just about smother you down. And talk about a headache!

Why did Chester work under such conditions? The question has no meaning in an area like eastern Kentucky where coal mining is the only available work.

> It was go in and do that or lose your job, there was no choice.

Chester started to have lung trouble "about 15 years ago." His breathing got short and he had trouble keeping up with his work. Like most coal miners in Appalachia who develop the same symptoms, Chester stayed in the mines.

> I had to support the family; the kids weren't married off then. I had quite a bit of responsibility.

Despite a fourth grade education, Chester was of value to the coal industry because he knew how to repair the complicated machinery used in mining. His wife, Dulcenna, explains that his skills kept Chester from losing his job, even though he was no longer able to do the grueling manual labor involved in coal mining.

> He couldn't have worked if they hadn't shielded him for what he knowed. He always knew a lot about machinery. He can just pick up any machinery and go ahead with it. They'd keep him there for what he knowed; He was too sick for hard labor.

Chester recounts one way his employer lightened the load in order to retain him in the mines:

> Coming to work they had timber close to the mine (Used to hold up the roof of the mine). The man that owned the mine asked the men as they came along to bring the timber on their shoulder, but he told me, 'Chester, you don't have to.' Some of the boys raised sand about it. I couldn't help it. I said, 'Boys, I'd take one if I had strength and breath, but I ain't.'

His fellow miners urged Chester to quit. "But I couldn't. I hung on and suffered with the smothering six or eight months and I finally just had to give it up." Chester left the mines in 1961 when he was 60 years old.

Since that time he and Dulcenna have lived off an $80-a-month workmen's compensation award Chester received in 1966 after injuring his back while working on a federal light work program. The award will soon expire, leaving Chester and Dulcenna $56 a month old age Social Security on which to live.

Chester's lung trouble has become progressively worse since he left the mines.

> I can't survive hardly, can't do anything, just mope around the house.

Dulcenna says,

> The other day I was out there hoeing potatoes. He came out and just hoed two or three hills and he just went to going all to pieces trying to get his breath. He just threw the hoe down and tried to make it back to the house.

Though he has retired from the mines, Chester finds little comfort in his "leisure time".

> I like to hunt better than anybody, I guess, but sometimes I get a little too far from the house and I like not to make it back.

marched on the statehouse in Charleston to gain black lung compensation under the law. Now, BLA members from five states—West Virginia, Kentucky, Virginia, Ohio and Illinois—journey to Washington, D. C. to demand the promises of law be carried out.

The discontent is strongest in Appalachia, where denial rates are higher than in any other part of the country.

MINERS' CLAIMS DENIED AS OF APRIL 30, 1971 (Social Security figures)	
KENTUCKY	78%
OHIO	76%
VIRGINIA	72%
TENNESSEE	68%
WEST VIRGINIA	62%
NATIONWIDE	58%

Most of the claims[7] have been denied solely on the basis of a single chest x-ray. Chester Fletcher's claim is one of them.

THE X-RAY REQUIREMENT

The easiest way to reduce the incidence of pneumoconiosis that I know of, and the cheapest way, is to take lousy X-ray films.[8]—George Jacobsen, M.D., Chairman, Dept. of Radiology, University of Southern California School of Medicine, Los Angeles, Calif.

Chester Fletcher signed up for federal black lung benefits with hundreds of other miners in a makeshift Social Security office in the Hazard, Ky., high school gymnasium in January, 1970, less than two weeks after passage of the black lung program. Seven months later, Chester received a letter from the Social Security Administration instructing him to go for an X-ray examination.

> I went to the Hazard clinic and they just shoved me in there in front of the X-ray and just shot me like that. I guess it was a minute or so and over. I never saw a doctor or anything.
>
> Another six months went by.
>
> "The next thing I know I got this letter . . ."

Dated January 1971, the form letter from Social Security read:

> The evidence we received in your case, including chest X-ray, does not show that you have pneumoconiosis. You, therefore, do not meet the requirements of the law, and your claim must be denied.

The letter suggests that evidence other than X-ray findings was examined before the decision was made to deny Chester black lung benefits. In fact, no other evidence was requested in Chester's case, nor would it have been considered had it been submitted voluntarily. Unless a miner is willing to have a portion of his lung surgically removed in a painful operation known as a biopsy, his claim is judged entirely on X-ray evidence. usually a single chest exposure. (X-ray evidence does not guarantee benefits, however, unless the miner has the most advanced stage of black lung—PMF—progressive massive fibrosis, known as complicated black lung. In the absence of PMF, a miner with positive X-ray evidence must still prove his pneumoconiosis is disabling.)

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[7]According to the First Annual Report to Congress on the Administration of Part B of Title IV of the Federal Coal Mine Health and Safety Act, Department of HEW, June, 1971 — 62.3% of black lung denials are based on failure to produce evidence of black lung. The percentage of medical denials based on negative X-ray is actually higher, because SSA included in their tabulation non-medical denials such as failure to prove employment in coal mining and denials based on withdrawn applications. (Table 5).

[8]P. 111, Papers and Proceedings of the National Conference on Medicine and the Federal Coal Mine Health and Safety Act of 1969, conducted by the Division of Environmental Health Sciences, School of Public Health, University of California, Berkeley, and the Department of Community Health Practice, Howard University College of Medicine, June 15-18, Washington, D.C.

PAGE (s) MISSING

The facts behind Chester's claim remain unknown to the agency that decided its fate—Chester's years in the mines, the dust, being shielded from heavy work. Even the fact that a local physician diagnosed silicosis[9] in 1966 had no bearing on Chester's claim, though silicosis is compensable under the black lung program as a dust disease of the lung caused by coal mining.

It is unlikely that those who set the standards which deny miners their black lung benefits have ever seen, as Dulcenna has seen,

> Many a miner cough and spit that out when they come out of the mines, big mouthfuls of that old black dust.

Cost-conscious administrators, who fear more "liberal" diagnostic standards would compensate "undeserving" claimants might be surprised to learn that the great majority of Appalachian miners who apply for black lung benefits left the mines reluctantly and would return if they could. Union mine wages—$34 to $37 a day—are good by mountain standards. But even Chester, who sometimes worked in small non-union, "doghole" mines for $10 a day, says,

> I wish I was able to make mine. I'd be pleased to do that.
>
> I tell you what's the truth. I get up there trying to walk up those streets and I'll stop and stand and lean up. I get ashamed of myself, people looking at me and me just . . .
>
> Chester doesn't finish the sentence.

A man with a fourth grade education, Chester Fletcher built a home, raised a family, and made it on his own by working in the mines. Now he is no longer able to work and a monthly check will never substitute for what he feels is his lost dignity.

Social Security officials never bothered to ask Chester why he no longer goes fishing or why he can't stand the tightness of a belt around his waist. They have never watched him climb the stairs to his house.

Chester Fletcher stepped in front of the X-ray machine at the Hazard clinic and 60 seconds later was denied black lung benefits.

□ □ □

> *The committee is of the belief that . . . the X-ray should not act as the sole determinant in denying a claim when other evidence may establish pneumoconiosis.* — House Committee on Education and Labor, Report No. 92-460—Black Lung Benefits — clarifying Congressional intent regarding diagnostic standards for the federal black lung benefits program.

Though the Social Security Administration (SSA) is empowered under Title IV to set "standards" for determining if a miner is totally disabled by black lung, the X-ray requirement set by SSA seems inconsistent with the intent of the law.

The reliability of X-ray evidence was debated before both House and Senate committees. Judging from the testimony, neither committee intended X-ray findings to be an absolute requirement for benefits. In the report of the Senate Committee on Labor, Senator Harrison Williams, the Chairman, quotes the Surgeon General's testimony that X-rays do not always reveal pneumoconiosis:

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[9]The terms "black lung" and "coal worker's pneumoconiosis" were rarely used in American coal fields until recently. Silicosis was thought to be the only coal mining disease American miners suffered. It was not thought to be prevalent in bituminous (soft coal) fields, such as those in southern Appalachia. Most miners with lung troubles in Appalachia were diagnosed for non-compensable ailments such as miner's asthma, tuberculosis, and bronchitis. Miners who complained of shortness of breath were regularly diagnosed for "anxiety tension state". One radiologist in southern West Virginia says until five years ago, he regularly encountered chest X-rays from physicians that showed massive lung lesions labeled "normal miner's chest".

> The committee heard testimony to the effect that X-ray examination alone could not always establish the existence of pneumoconiosis. As the Surgeon General testified, frequently miners who have shown no X-ray evidence of the disease are found, in an autopsy, to have contracted the disease . . . —Senate Committee Report No. 91-411, Federal Coal Mine Health and Safety Act, pg. 21.

The following exchange from the House Labor Committee Hearings on the 1969 Coal Mine Health and Safety Act took place between Congressman Carl Perkins, Chairman of the House Committee on Education and Labor, and Dr. Raymond Moore, Associate Commissioner of the Environmental Health Control Administration, Department of Health, Education and Welfare:

> Chairman Perkins: . . . You are telling the committee that to correctly evaluate pneumoconiosis it is altogether necessary to examine all of the symptoms instead of relying on an X-ray . . . is that correct?
>
> Dr. Moore: Yes, sir, you are correct.

In the language of the Act, Congress clearly rejects the view—advanced by witnesses like Dr. Keith Morgan of the U. S. Public Health Service—that pneumoconiosis be defined as a disease that has a characteristic X-ray pattern (Senate Hearings, Part 2, pg. 737).

There is no mention of X-rays in the Act's definition of CWP as a "chronic dust disease of the lung arising out of employment in an underground coal mine."

In addition, Congress makes express provisions that a variety of means—in addition to X-ray—can be used to establish a claim.

> If a miner is suffering . . . from chronic dust disease of the lung which (A) when diagnosed by chest roentgenogram . . . yields one or more large opacities . . . (B) when diagnosed by biopsy or autopsy, yields massive lesions . . . (C) *when diagnosis is made by other means,* would be a condition which could reasonably be expected to yield results described in clause (A) or (B) . . . then there shall be an irrebuttable presumption that he is totally disabled due to pneumoconiosis . . . —From Title IV, Part B, Sec. 411(a) (3), Federal Coal Mine Health and Safety Act. (emphasis added).

The experiences of many black lung claimants with the reliability of X-rays have borne out Congress's refusal to make them an absolute requirement for benefits.

Howard Ray Massey of Ghent, West Virginia, a coal miner for 39 years, applied for benefits in January, 1970, and was sent to a mobile X-ray unit for a single chest X-ray. According to SSA, the X-ray was negative. Massey's claim was denied.

Massey appealed the decision. Social Security sent him a letter which said its expert radiologist had re-read the X-ray and found no pneumoconiosis. His appeal was denied.

Howard Massey searched through records of previous X-rays and found a series taken in 1967 by Dr. Charles Nelson, the chief radiologist at the Beckley Appalachian Regional Hospital (BARH), which clearly showed pneumoconiosis.

Ed Wyco, a former coal miner from Stanaford, West Virginia, says that local SSA officials told him there was no reason to appeal his denial. The X-ray taken at a nearby clinic had been negative. Therefore, Wyco didn't have black lung.

Wyco knew he had severe lung trouble from his years in the mines and went to the X-ray lab at BARH. This time, black lung showed up on the X-ray.

Dr. Nelson who X-rayed both Massey and Wyco will not do X-ray studies for the SSA using the limited examination they prescribe for black lung claimants. After X-raying more than 30 thousand

coal miners, he doesn't believe SSA's single-shot X-ray technique is sufficient to determine if a patient has X-ray evidence of pneumoconiosis.

An X-ray merely reveals shadows. In the case of black lung, the shadows produced by coal dust deposits on the lung can literally be tiny as a pinpoint, if they show up at all. The likelihood of their appearance often depends on the technical expertise of the radiologist.

Dr. Nelson, has developed a technique which helps black lung shadows show up on the X-ray film. In addition to the highest quality film, he uses a low kilovolt setting and a process known as a Valsalva maneuver which reduces the prominence of the blood vessels in the lung, vessels which otherwise obscure black lung shadows.

Miners receive a series of four X-rays at the Radiology Department of BARH. Each X-ray film is examined before the patient leaves. If a film is not as readable as possible, the X-ray is repeated.

Despite all of these efforts (none of which are made by the SSA) to get black lung shadows to appear on X-rays, the shadows do not always show up. The BARH radiology department has studied approximately 100 miners whose pneumoconiosis was only revealed after the second or third series of X-rays, and approximately a dozen whose black lung did not show up until the fourth X-ray series.

Dr. Nelson points out that some pneumoconiosis does not show up on X-rays at all. Often, he maintains, if a miner has severe emphysema, the emphysema obliterates black lung shadows. Other radiologists[10] support this claim. He adds that there is no evidence that X-ray findings correlate with disability. Studies on miners show little relation between disability and X-ray evidence of black lung.[11]

The question of X-ray diagnosis is still debated in the medical community. Many physicians maintain X-rays are the only

[10] "Black lung cannot be seen on conventional X-rays. An X-ray does not provide any reliable evidence for evaluation of pulmonary function or disturbed pulmonary function in early pneumoconiosis."—Dr. Eugene Pendergrass, past president of the Radiological Society of North America and Professor emeritus of radiology at the University of Pennsylvania, quote by Associated Press, March 3, 1969, *Charleston Gazette*, p. 3.

"Unfortunately, the tool of X-ray . . . is a rather crude tool, all it does is show shadows . . . the fact that we do not have positive X-ray evidence does not rule out that a patient or a miner does not have coal workers' pneumoconiosis." — W. A. Laqueur, M.D., Senate Hearings, Part 2, p. 702.

"Coal Workers Pneumoconiosis is characterized pathologically by the presence of focal deposits of dust in the interstitial tissues of the lung. Almost always these deposits are accompanied by focal emphysema. It is probable that in most instances these individual focal deposits are too small to cast a recognizable radiographic shadow. However, when they are present in sufficient number these foci superimpose and become radiographically visible. In other words, early in the course of CWP the chest roentgenogram may be entirely normal. As the disease progresses and the emphysema becomes marked, the concentration of focal deposits per unit volume of lung (profusion) diminishes. When the emphysema is extreme, the profusion may be such that again the focal deposits may be no longer radiologically recognizable." — letter from George Jacobson, M.D. Professor and Chairman, Dept. of Radiology, School of Medicine, University of Southern California, Los Angeles.

[11] *Pulmonary Impairment in Southern West Virginia Coal Miners*, Rasmussen, D. L., W. A. Laqueur, P. Futterman, H. D. Warren & C. W. Nelson, 1968. *American Review of Respiratory Disease*, 98:658-667.

Respiratory Function in Southern Appalachian Coal Miners, Rasmussen, D. L. & C. W. Nelson, 1971. Amer. Rev. Resp. Dis. 103: 240-248.

Impairment of Oxygen Transfer in Dyspneic, Nonsmoking Soft Coal Miners, Rasmussen, D. L., *Journal of Occupational Medicine*, 13 (6):300-305.

Patterns of Physiologic Impairment in Coalworkers' Pneumoconiosis, Rasmussen, D. L., New York Academy of Science, Sept. 15, 1971.

means short of biopsy or autopsy to diagnose pneumoconiosis. But though the debate is unresolved, the SAA continues to arbitrarily side with the most restrictive opinion against the claimant and contrary to the intent of the Congress.

In the meantime, disabled miners die every year from lung disease while appealing black lung denials.

DISABILITY REQUIREMENTS

. . . *In tests one should cover the broad spectrum of what an organ does. The lung definitely does more than just breathing. Therefore, specification of the ventilatory test which is used to diagnose smoking emphysema would be absolutely unjust in my opinion.*—W. A. Laqueur, M.D., Director of Laboratories, Chief Pathologist, Beckley Appalachian Regional Hospital. Testimony before Senate Subcommittee on Labor, Federal Coal Mine Health and Safety Act, Part 2., pg. 707.

If a man's whole future life is at stake you have to take the time and money to consider the whole person. —Dr. Bertram Carnow, Professor of Medicine and Chairman of the Dept. of Environmental Health, University of Illinois Medical School. (Commenting on the SSA's sole reliance on the ventilatory or simple breathing test for determining black lung disability.)—Quoted from the *Raleigh Register* newspaper, Beckley, W. Va., Sept. 12, 1971.)

Miners who meet SSA's X-ray requirement do not necessarily receive black lung benefits. In order to qualify for benefits, claimants must prove they are totally disabled due to pneumoconiosis. X-ray evidence of progressive massive fibrosis is automatically presumed proof of disability under the law.[12]. A small minority establish their disability under this automatic provision. The great majority of claimants who have X-ray evidence of black lung has to establish disability through additional medical tests.

Miners are disabled in a variety of ways by pneumoconiosis and a variety of different impairments are compensable under the regulations established by the SSA.[13] But a miner is only tested for one of the compensable impairments he may be suffering.

Claimants who overcome the X-ray requirement are sent for a ventilatory study known as a simple breathing test. It measures the ability of a person at rest to breathe air in and out. It is not a test designed particularly for black lung. Rather, it is a common test for obstructive lung diseases—such as bronchitis and smoking emphysema—which limit a person's breathing.

Extensive studies of disabled coal miners have found little correlation between miners' disability and the results of the simple breathing test.[14] These studies have shown the primary impairment in

[12]Title IV. Part B., Sec. 411 (c), (3) (A) 1969 Coal Mine Health and Safety Act.

[13]Federal Register, Vol. 35, No. 67, Tuesday, April 7, 1970, 404.421 lists six separate criteria a miner can satisfy to establish his pneumoconiosis is totally disabling.

[14]"Disabling respiratory insufficiency occurred in the absence of . . . significant ventilatory insufficiency. Impairment of oxygen transfer was commonly associated with disabling symptoms regardless of . . . ventilatory function." Respiratory Function in Southern Appalachian Coal Miners (See other studies listed in footnote 11).
"A single test of ventilation is inadequate to assess disability, and a wide range of tests measuring lung volumes, ventilation, diffusing capacity, and arterial oxygen saturation on exercise is needed." *Results of Respiratory Function Tests in Miners,* M. Catterall, M.D. and I. Hunter, M.D., *The Lancet,* Jan. 16, 1965.
"The pulmonary function tests most easily carried out clinically are not very sensitive and measure only the ventilatory function. Changes in ventilatory function are relatively minor in simple CWP and fail to correlate with radiographic changes" — *Coal Workers' Pneumoconiosis — State of Knowledge and Research Needs,* Environmental Health Sciences Advisory Council, June 17, 1969.

disabled coal miners to be an impairment of the lungs' ability to transfer oxygen to the blood. Black lung victims are able to breathe air in, but are unable to transfer enough vital oxygen to the bloodstream. Or as many miners put it, "I don't have any trouble getting my air in. It just doesn't do any good when it gets there."

According to Dr. Donald Rasmussen, Director of the Pulmonary Laboratory of the Beckley Appalachian Regional Hospital:

> Any meaningful assessment of respiratory function must include assessment of gas (oxygen) transfer . . . regardless of roentgenographic (X-ray) findings or ventilatory function.

The SAA acknowledges in its First Annual Report to Congress that miners suffer from impaired oxygen transfer.

> Breathing impairment may also result from reduction in an individual's capacity to transfer oxygen from his lungs into his blood stream where it is needed to provide energy for working. (pg. 22)

Although SSA compensates a miner who has a normal breathing test but whose oxygen transfer is impaired, it doesn't test a miner to see if he has this impairment. It relies exclusively on the simple breathing test, a test which reveals nothing about oxygen transfer.

According to Dr. John Rankin, Professor of Medicine and Chairman of the Department of Preventive Medicine at the University of Wisconsin, "A miner can have a perfectly normal breathing test and be severely disabled."

Rankin was one of a team of twelve medical specialists who examined a group of thirty miners at BARH pulmonary laboratory September 11, 1971 on a grant from the Field Foundation. All of the miners had been denied black lung benefits. Following the examinations, the team issued a statement which labeled as "unduly and unnecessarily restrictive" the SSA's sole reliance on the simple breathing test as a measure of disability. (The full statement and identification of signers appears on page 63. The statement used the technical term "spirometry" for simple breathing test.)

The SSA has never explained why it compensates miners for impaired oxygen transfer but doesn't test them to determine if they have the impairment. In its Annual Report to Congress (pg. 22), the SSA says:

> Medical resources to perform these tests are in extremely short supply in most of the areas in which black lung claimants are concentrated.

The contention is indisputable. There are no such resources available to black lung claimants in Eastern Kentucky. There is one such facility in southern West Virginia.

The SSA points out that coal miners are often disabled by an impairment of oxygen transfer. And the SSA accepts such an impairment as proof that a miner is totally disabled under the black lung benefits program. The SSA points out the tests needed to establish this disability are scarce in the areas where most black lung claimants live.

Somehow, from all of these facts the SSA has drawn the conclusion that it should simply ignore the need to test miners for this impairment. Roughly a third[15] of the miners whose black lung claims are denied are turned down on the basis of the simple breathing test without benefit of oxygen transfer tests the SSA maintains are necessary to determine disability.

ASSISTING THE CLAIMANT

Because the black lung program is new, is different from our regular

[15]The First Annual Report (Table 5) says that 29.8% of the claims denied are based on failure to prove pneumoconiosis is disabling. As explained in Footnote 7. The figure is not based on 100% if non-medical denials are excluded from the tabulation. The great majority of such denials are based on the simple breathing test only.

program, and has several quite unique features, the potential for applicant misunderstanding is high. Careful attention should be given, therefore, to promoting assistance and to providing understanding to claimants as necessary in pursuing their benefit rights.—Coal Miner's Benefit Manual, SSA Bureau of Disability Insurance, Transmittal No. 51, Coal Miner's Benefit Manual.

Some people want to know how I keep my school-girl figure so long... All they have to do to get theirs back is come to Perry County and try to sign up for something on Social Security.—Granny Hager, widow of a disabled coal miner, Perry County, Ky.

They've got it swept under the rug and the rug pulled over it—James Gilliam, disabled miner, Clay County, Ky.

Despite a professed intent to serve the claimant in every possible way, and despite the efforts of many conscientious workers at the local level, the SSA administers the black lung benefits with a heavy-handled paternalism and a bureaucratic passion for secrecy that frustrates more often than helps the claimant. The SSA's attitude is exemplified by the following passage from the Inter-agency Coal Miner's Benefits Manual instructing SSA personnel with regard to a claimant's request to see his black lung claim file:

> Material not revelant to the determination which may be harmful to the claimant's physical or mental well-being (should be) screened out before release or review of folder contents by the claimant.

Though the SSA places the burden of developing a claim on the claimant, it authorizes its personnel, who may have only the most fleeting involvement in a miner or widow's claim, to decide what the claimant should or should not see in his file.

Many miners have charged they have been denied the right to examine their files. Disabled miners in Logan County, W. Va., picketed the local Social Security office in 1971. Their list of demands included the right to examine their own claims files and be treated "like men, not dogs."

A claimant's chance for benefits is greatly increased if he understands all of the requirements under the law. But the SSA does not as a matter of policy inform claimants about the intricacies involved in applying for benefits. Miners, for instance, whose X-rays are read as negative are not told as a matter of course that they may obtain X-rays by a private radiologist nor are they encouraged to do so.

The disability requirements are particularly complex. Yet, the SSA's standard denial letter contains only the following information about disability. On the back of the letter under the heading "Further Information About Disability Requirements," the SSA informs the claimant that a miner may be considered totally disabled if:

> (1) because of the pneumoconiosis, he has a severe breathing impairment (as shown by special breathing tests) that prevents him from engaging in any substantial gainful work.
>
> or—
>
> (2) he has another severe impairment that results from pneumoconiosis

There is no mention of the fact that (1) the simple breathing test only measures one of several possible compensable impairments a miner may suffer, (2) that oxygen transfer tests are also accepted as proof of disability, or (3) that miners often do not qualify for benefits when tested on the simple breathing test, but qualify when tested for impaired oxygen transfer.

There is no mention at all that enlargement of the right side of the heart, and other heart conditions associated with pneumoconiosis, are accepted as proof

of disability, despite a normal breathing test. Ironically, many miners left the mines because of a heart condition; few realize certain heart abnormalities are a proof of disability under the federal black lung program.

There are virtually only two kinds of denial letters sent to miners. Denial is based on (1) lack of evidence of black lung and/or (2) lack of proof of disability. (2.0% are denied because a miner does not have proof he worked in the mines.) If a miner is denied because his X-ray is negative, his denial states under the heading "Reason for Denial":

> The evidence we received in your case, including chest X-ray, does not show that you have pneumoconiosis. You, therefore, do not meet the requirements of the law and your claim must be denied.

If the miner has a positive X-ray but fails to establish that he is totally disabled, the letter states:

> The evidence we received in your case shows that you have a pulmonary condition, but it does not show you are "totally disabled" from it. You, therefore, do not meet the requirements of the law and your claim must be denied.

The letters communicate little more than the fact that a claimant won't be receiving benefits. A miner denied for lack of a positive X-ray doesn't know what his X-ray revealed. The miner denied because he hasn't established disability has no inkling what additional evidence is needed to establish his disability. Many claimants appeal only to have their claims judged by the same evidence upon which the original claim was denied. It is little wonder the actions of the SSA are looked upon by black lung claimants in Appalachia as capricious and arbitrary, a mystery to be divined rather than the decisions of an agency mandated to serve the public.

DUST CONTROL

At work the miners are covered with dust. It's in their hair, their clothes, and their skin. The rims of their eyes are coated with it. It gets between their teeth and they swallow it. They inhale so much of it into their lungs that until they die they never stop spitting up coal dust. Some of the miners cough so hard they wonder if they have a lung left. —Black Lung, The Road to Dusty Death, by Loren E. Kerr, M.D.

There are no safe dust levels.—I. E. Buff, M.D.

The greatest killer of coal miners is the air they breath in the mines. The 1969 Coal Mine Health and Safety Act set the first limits on respirable coal dust in American mines. The U. S. Bureau of Mines is charged with enforcement of dust standards. Their record to date offers little grounds for hope that black lung will soon be eliminated from America's coal mines.

As defined by the act, respirable coal dust particles are 5 microns or less in size (a micron is one twenty-five thousandths of an inch). Effective June 30, 1970, the amount of such dust to which a miner may be exposed cannot exceed three milligrams per cubic meter of air. After December 30, 1972, the concentration cannot exceed 2 milligrams. (Operators who were unable to comply with the 3 milligram standard could obtain non-compliance permits for up to one year during which time the standard could not exceed 4.5 mg. Permits will also be granted after December 30, 1972, permitting non-compliance with the 2 mg. standard.)

In addition to requiring Bureau inspectors to take periodic dust samples, the act requires mine operators to submit dust samples to the Bureau for evaluation.

In November, 1970, a report prepared by Robert Kirk Jones, Industrial Hygienist for the Kentucky Department of Health, revealed some Kentucky coal miners were

breathing 201.73 mg.[16] of respirable coal dust, roughly 67 times the desired maximum of 3.0 and 45 times the permitted maximum of 4.5 mg.

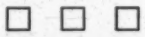
The report, entitled *Airborne Dust Studies of Kentucky Coal Mines,* was based on 2,100 respirable dust samples from 860 underground coal mines. A total of 57.4% of the mines sampled exceeded the desired federal standard, and 42.2%[17] exceeded the maximum standard permitted under the law. Even foremen and superintendents were found to be breathing more than twice the permitted amount of respirable dust.

In May, 1971, the Government Accounting Office (GAO) released an 80-page implementation report on the Coal Mine Health and Safety Act which found that in the two Appalachian districts studied, 1% of the required health inspections had been performed by the Bureau as of December 31, 1970.[18] As of March 1, 1971, 22% of the mines in the Mt. Hope district (580 mines) and 42% of the mines in the Norton district (1,365 mines) had not initiated the dust sampling procedures that were required as of June 30, 1970.[19] In addition, 55% of the dust samples taken by mine operators were found to be unusable because (1) erroneous data was submitted, (2) samples were taken on shifts where production was less than 50% of normal production, (3) sampling equipment was "mishandled".[20]

By June 28, 1970, all mine operators were required to submit ventilation plans specifying the dust control practices employed in each mine. The GAO review found that "no ventilation plans had been approved by the required date". By December 7, 1970, 7% of the required plans in the Mt. Hope district and 11% of those in the Norton district had been approved.[21] According to GAO, ventilation plans approved by the Norton district "contained about half of the provisions".[22]

As of June 5, 1971, the Bureau of Mines reports that 19% of the 2,273 active underground coal mines have all of their sections in compliance with required respirable dust standards; 81% of the nation's coal mines exceed federal dust standards.

The Bureau also reports as of the same date that 1,535 mine sections had not begun to take dust samples and 1,297 sections had not completed a basic sampling cycle. The Bureau says it believes many of these sections are "paper sections" which are no longer active.[23]



"I never used to cough, but now I can't get rid of it . . . And the funny thing is that I spit . . . I spit . . ."

The rasping noise came from his throat again, and he spit another black blob.

"Is it blood?" Etienne finally had the courage to ask.

Bonnemort slowly wiped his mouth with the back of his hand.

---

[16] *Respirable Dust Studies of Kentucky Coal Mines,* conducted by the Commonwealth of Kentucky Dept. of Health and Dept. of Mines, prepared by Robert Kirk Jones, Industrial Hygienist, Special Studies Supervisor, Occupational Health Program, Kentucky Dept. of Health, November, 1970, p3.

[17] *Ibid.* p2.

[18] *Problems in Implementation of the Federal Coal Mine Health and Safety Act of 1969,* Report to Subcommittee on Labor and Public Welfare, U.S. Senate, by the Comptroller General of the U.S., May 13, 1971, p.10.

[19] *ibid.,* p. 18.

[20] *ibid.,* p. 18.

[21] *ibid.,* p. 30.

[22] *ibid.,* p. 31.

[23] U.S. Bureau of Mines figures, letter from Paul Zinner.

"It's coal. I've got enough in my guts to heat me till the day I die. And I haven't set foot down there for the last five years. I guess I stored it up without even knowing it . . . ."
—From *Germinal,* a novel about French coal miners written in 1885 by Emile Zola

---

The passage from *Germinal* could have been written today by an American novelist writing about coal camps in Appalachia. Dr. Donald Rasmussen predicts disabling miners' lung disease of epidemic proportions in the near future among young miners who worked most of their years in the tremendous dust levels raised since the mines were automated in the 1950's. Miners in their thirties who are old men are not uncommon in Appalachia.

The tragedy is not simply that a quote from *Germinal,* written in 1885, is still timely today. The tragedy is that as long as coal is valued more than the lives of the men who mine it, the quote will remain timely.

NATIONAL COMMISSION ON STATE WORKMEN'S COMPENSATION LAWS
1825 K STREET, N. W.
WASHINGTON, DC 20006

November 19, 1971

FOR IMMEDIATE RELEASE

Public hearings in Atlanta, Georgia and in Washington, D. C. were announced today by the National Commission on State Workmen's Compensation Laws. The Atlanta hearing will open at 10:00 a.m. on January 10 and continue through January 11, 1972. The Washington hearing will open at 10:00 a.m. on January 24 and is scheduled to run through January 26 if three days are necessary to accommodate those wishing to testify.

The Atlanta hearing will be held in Room ~~1021~~ 556, ~~1776~~ 275 (Federal Bldg.) Peachtree Street, N. E., and the Washington hearing in Room 2010, New Executive Office Building, 726 Jackson Place, N. W.

The Commission's announcement invites interested persons to make oral or written presentations on the general question assigned to the Commission by the Occupational Safety and Health Act of 1970: whether state workmen's compensation laws provide an adequate, prompt, and equitable system of compensation. In addition, comments are solicited on research methods and information sources available to the Commission.

Persons interested in appearing at the Atlanta hearing must file a notice with the Commission at 1825 K Street, N. W., Washington, D.C. 20006 by December 27. For the Washington hearing the notice must ~~be filed by~~ January 5, 1972. The notice should identify the person and the group he represents, if any, the subject matter and approximate length of his presentation.

Established by the Occupational Safety and Health Act of 1970, the Commission has a broad mandate under the law to make an effective study and objective evaluation of the state workmen's compensation laws. The Commission is required to submit to the President and the Congress, not later than July 31, 1972, a final report containing its finding and conclusions, together with its recommendations.

Direct inquiries concerning this release to Mr. Ward Donohoe, The National Commission on State Workmen's Compensation Laws, 1825 K Street, N. W., Washington, D. C. 20006. 202-382-1056.

NATIONAL COMMISSION ON STATE WORKMEN'S COMPENSATION LAWS
1825 K STREET, N. W.
WASHINGTON, DC 20006

File
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December 9, 1971

DEC 13 1971

Dr. Emory F. Via, Director
Southern Regional Council, Inc.
52 Fairlie Street, N. W.
Atlanta, Georgia 30303

Dear Dr. Via:

The National Commission on State Workmen's Compensation Laws was established under the Occupational Safety and Health Act of 1970 in order to undertake an effective study and evaluation of workmen's compensation laws. The Commission is presently holding a series of hearings in various cities throughout the country to solicit opinions and information relating to our general mandate of whether State workmen's compensation laws provide an adequate, prompt, and equitable system of compensation. We would like to request your appearance before this Commission.

The Commission will be holding a hearing in Atlanta, Georgia on January 10 and 11. We know that you could make a valuable contribution to this hearing and hope very much that you will be able to testify. If you do desire to speak but find this date inconvenient, we would invite you to submit a written statement which would become a part of our formal record.

Please let me know as soon as possible whether you will be able to testify. In the meantime, I have enclosed for your convenience a copy of the Atlanta press release. I look forward to hearing from you soon.

Sincerely yours,

Peter S. Barth

Peter S. Barth
Executive Director

PSB:kcs
Enclosure

NATIONAL COMMISSION ON STATE WORKMEN'S COMPENSATION LAWS
1825 K STREET, N. W.
WASHINGTON, DC 20006

December 30, 1971

JAN 3-1972

Dr. Emory F. Via, Director
Southern Regional Council, Inc.
52 Fairlie Street, N. W.
Atlanta, Georgia 30303

Dear Dr. Via:

This is in further reference to our letter of December 9 and Mr. Joseph Jacob's letter of December 23 concerning your appearance at the Commission's Atlanta public hearing to be held in Room 556, Federal Building, 275 Peachtree Street, N. E. on January 10 and 11, 1972.

The Commission has scheduled your appearance for Tuesday afternoon, January 11. Although we cannot give you a precise time, we estimate that the appearance will come between 1:00 and 2:00 P.M.

In order to provide time for the many individuals and organizations wishing to testify, and to permit adequate opportunity for questioning by the Commissioners, the witnesses are being asked to limit to 15 minutes the oral summarization of prepared statements. The full text of any prepared statement will, of course, be made a part of the hearing record.

If a prepared statement is reproduced we would urge you to provide us with at least 50 copies. Our experience has indicated that this number will cover the needs of the Commission and will provide copies for the press and other media representatives who will be covering the hearing. These copies should be delivered, prior to the witness' testimony, to Ward Donohoe, the Commission's Hearing Officer, who will be present in the hearing room at all sessions. If you wish to provide copies for the public in attendance, we suggest an additional 50 copies be brought to the hearing room.

Sincerely yours,

Peter S. Barth

Peter S. Barth
Executive Director

PSB:ga

RAYMOND M. WHEELER, PRESIDENT
JOSEPHINE WILKINS, VICE-PRESIDENT
C. G. GOMILLION, VICE-PRESIDENT
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JOSEPH HAAS, COUNSEL
PAUL ANTHONY, EXECUTIVE DIRECTOR

Southern R[illegible] Inc.
52 FAIRLIE STREET, N. W. [illegible] 30303

A Council to attain the ideals and practices of equal opportunity for all peoples in the South

January 4, 1972

Mr. Peter S. Barth, Executive Director
National Commission on State Workmen's
Compensation Laws
1825 "K" Street, N.W.
Washington, D.C. 20006

Dear Mr. Barth:

I am pleased to know that the Commission is holding hearings in Atlanta regarding workmen's compensation.

Unfortunately, I will be unable to present personal testimony during the hearings due to prior commitments out of town.

However, I will submit for the Commission's consideration an article on black lung and the difficulties encountered by its victims in claiming compensation. This, of course, is a state and federal problem. A copy of the article is enclosed. Copies will be supplied to Mr. Donohoe at the hearing.

The subject of your inquiry is an important one. I am sure others will testify to the general inadequacy of benefits, the special impact of low coverage or failure to cover on the poor, the fact that his latter affects blacks in our society especially, and that numerous improvements in administration still can be made in Southern states.

Thank you for your invitation to appear. I wish I could join in your deliberations.

Sincerely,

Emory F. Via, Director
Resources Development Center

EFV/gms
Encl.--Article

January 4, 1972

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National Commission on State Workmen's
Compensation Laws
1825 "K" Street, N.W.
Washington, D.C. 20006

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Emory F. Via, Director
Resources Development Center

EFV/gms
Encl.--Article

[ca. 1971?]

Protective Leg.

WORKMEN'S COMPENSATION AND REHABILITATION LAW

With Section by Section Commentary

Reprinted from

SUGGESTED STATE LEGISLATION

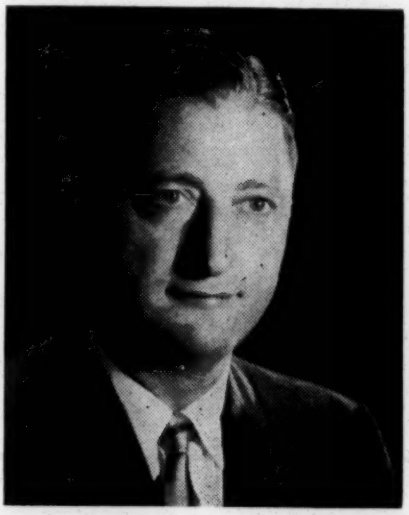
1963 and 1965

THE COUNCIL OF STATE GOVERNMENTS
1313 EAST SIXTEENTH STREET
CHICAGO, ILLINOIS 60637

[n.d.]

Is Workmen's Compensation Enough?

By Herbert E. Greenstone
Chairman, Public Information and Education Committee, National Association of Claimants' Compensation Attorneys of America



Many injured employees collect workmen's compensation benefits but ignore the possibility of obtaining additional damages through legal action against the party responsible for the accident. In failing to sue, workers frequently are depriving themselves of fair recompense for injuries.

But, you may ask, isn't workmen's compensation supposed to provide fair benefits? Wouldn't it be better to seek to improve workmen's compensation than to have workers involved in the intricacies of damage suits? These are fair questions. All of us want workmen's compensation improved, so that compensation is more realistically geared to present-day circumstances. Yet, improvements come slowly in workmen's compensation—and until it has been drastically upgraded, injured workers owe it to themselves and their families to study the courses of action that are open to them, and to seek proper financial redress for themselves and their dependents.

Workmen's compensation, it should be remembered, came into existence 50 years ago. It was a valuable and important forerunner of modern social legislation. In the years that followed, all the states adopted workmen's compensation statutes.

All these laws were based on the philosophy that the worker should receive benefits in case of an industrial accident, regardless of whose fault it was. The theory behind the laws was that the worker and his dependents needed help quickly — not two or three years later, if he were lucky enough to prove who was respon-

PAGINATION INCORRECT

sible for his accident. In compensation law, social policy set forth that there should be automatic payment to the injured worker, regardless of who was at fault.

Good Social Policy

Workmen's compensation was, and is, good social policy. Like the minimum wage law, workmen's compensation in effect puts a floor under benefit payments and sets as a minimum standard a series of compensation schedules. Without workmen's compensation, hundreds of thousands of workers would suffer loss each year through no fault of their own. But the parallel with minimum wage legislation should be carried a step further. The minimum wage law, valuable as it is, is no substitution for collective bargaining, and so workmen's compensation should not be looked upon as the only method of relief for the injured worker. Other supplementary efforts to win economic justice for the injured worker should not be ruled out just because there is a workmen's compensation statute on the books.

How may that supplementary relief be obtained? In accepting workmen's compensation, the employee gives up the right to sue his employer for any negligence on the part of the employer. However, many states permit the employee to sue an agent, servant, or employee of the employer. Many cases arise where negligence by a third party is the cause of accidents. For example, the employer has a stated policy about safety practices, but a third party—let's say a foreman or superintendent — gives orders that flout the safety rules. Who is responsible if a serious accident results? The company, or the superintendent, or both? But, lest the debate seem idle, the employee may have been seriously hurt, deprived of employment for a long period of time, faced with a possible loss of future earning power. And workmen's compensation does not pay big benefits.

Tort Law

In almost all jurisdictions, the injured worker has the right to pursue his claim against the negligent person responsible for the accident in which he sustained his injuries. His right to recover

damages is governed by what is called tort law. It has been said that the "law of torts exists for the purpose of preventing men from hurting one another." Two writers on the subject have pointed out, in an excellent article, that "one of the traditional objectives of tort law has been to deter unreasonably dangerous conduct and to promote the taking of reasonable precautions." Thus, the aim of tort law is not only to compensate the victims of accidents, but to seek to prevent accidents. Immunity breeds neglect, it has been pointed out many times, while liability encourages due care.

That's why it is so necessary that the worker come to know his rights under the law, to familiarize himself with the various aspects of "third party" action, and to take legal steps to receive all the benefits to which he is entitled as a result of an accident caused by the negligence of someone else.

Let's look at what has happened in various types of cases in which the courts have allowed workers to recover damages from third parties who were responsible for accidents that occurred on the job.

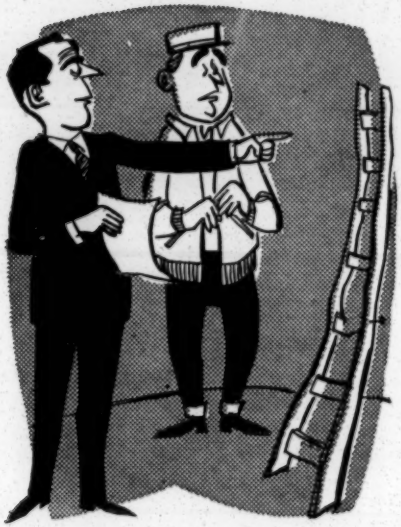
A truck driver in his vehicle on a public highway is struck as the result of the negligence of the driver of another vehicle. He has the right to make a claim upon his employer for workmen's compensation benefits, and to bring damage suit in the courts against the owner and operator of the other vehicle, if he can show that they were negligent.

Or suppose that a driver takes a new truck out of the employer's garage, and, after he has gone a short distance, the steering mechanism because of some defect causes his truck to careen off the road. The driver would of course be entitled to workmen's compensation for this accident, but he would also be able to sue the manufacturer of the vehicle, not only for negligence but also for breach of the warranty, proclaiming the truck as fit for service, under which the truck was sold to the man's employer.

Safe Conditions

In the construction industry, it is recognized that the owner of premises where work has to be performed has a duty to provide safe working conditions. Where a general contractor is involved, he too has a responsibility to maintain safe standards of construction and safe environmental conditions. In their absence, if an accident occurs, the employee has the right to sue the owner of the building, the general contractor, the subcontractor, or all of them together.

A leading case in New Jersey involved a pipefitter working at a factory where chrome products were manufactured. After working there for a time, the pipefitter contracted dermatitis — a



skin disease — as a result of exposure to the chrome. The New Jersey court permitted a third party action against the owner of the premises for failing to provide the employee with a safe place to work, for not having taken proper safeguards to protect employees from exposure to the chrome, and indeed for not having warned the worker about the danger of contracting chrome-poisoning.

Another type of case from New Jersey involved a route salesman who was permitted by the courts to recover damages from an assault and battery committed on him by the employee of another company, who drove up alongside his truck, threatened him unless he left the area, and subsequently beat him up. The court heard that the employer of the salesman who gave the beating had complimented his agent by saying: "It is a good thing you gave him a good beating, he won't bother our customers the next time." The injured man was able to collect not only damages to compensate him for his injuries, but punitive damages from both his assailant and the assailant's employer.

John Doe, in another case that has come to my attention, was injured in an accident arising out of and in the course of his employment, and he received certain injuries which required medical care and treatment. His employer, or the employer's insurance company, referred him to a doctor, who ordered surgery on an injured arm. Later on the worker contended that the doctor was negligent in his diagnosis and treatment, and that the negligence had resulted in permanent damage to the arm. The court permitted the worker to sue the doctor for medical malpractice.

Right to Compensation

In all these cases, let me make clear, in the worker's claim for workmen's compensation, the question of negligence by either the employee or the employer has no bearing. The employee has the right to recover workmen's compensation regardless of whether or not the accident is due to his own contributory negligence, or that of his employer.

In workmen's compensation, the employee gets a scale of bene-

fits based upon a certain percentage of his wages. Through the years, as wages have risen, the compensation benefits have trailed far behind. Today they do not come very close, in most instances, to providing a significant proportion of wages, so that family life may continue without serious economic impairment after the accident to the family breadwinner. In third party, or tort suits, on the other hand, the measure of recovery is payment to the injured employee of his total lost wages, an allowance for pain and suffering, disfigurement, medical expenses and the money value of any permanent disability.

Simple Remedy

If the employee's recovery through the third party suit is greater than the amount he received through workmen's compensation he is entitled to keep the difference, but the sum received in workmen's compensation must be repaid to the insurance company or the employer. The worker does not have the choice of either of two legal remedies—workmen's compensation or legal suit—but he does have the right to pursue both.

An injured workman should always have the right to recover damages based upon the negligence of a third party. The right to recover is based upon the principle that a wrongdoer must pay for the damages of another.

Management and industry have

a responsibility to provide safety measures. Most accidents do not just happen, but can be avoided by adherence to certain basic safety laws and principles. Accident prevention requires the exercise of safety, reasonable care, and prudence under the circumstances of a given case. The term "negligence" implies that there has been a failure to exercise the degree of care, caution, and prudence that a reasonable person would exercise under similar circumstances.

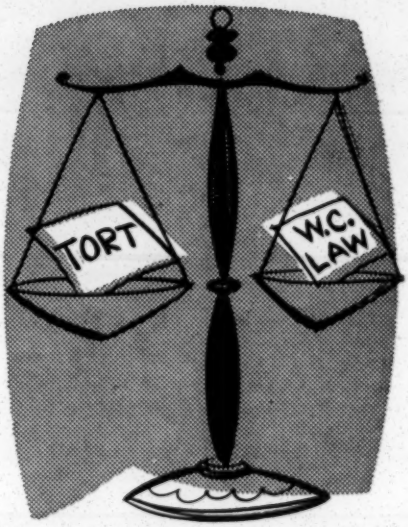
State safety laws are designed to provide proper safety measures to prevent accidents. A violation of these state safety laws is a sufficient basis on which to sue for negligence. If management and industry would embark on a safety program to prevent accidents, rather than cry out about the high costs of insurance to pay for workmen's compensation benefits,

they would do a lot towards the prevention of accidents.

Third party actions are not always cut and dried and do require a great deal of investigation and proper legal advice to the injured employee. Unlike the procedure under the workmen's compensation law, it is often necessary for an injured employee to bring his action within a fixed period of time, regardless of whether he is under the care of a doctor or not, since most states have statutes of limitations which bar actions for negligence after a certain time lapse.

While the workmen's compensation laws were designed to substitute a schedule of recoveries for the common law liability of the employer, the amount of these recoveries is far less than the sums allowed under common law principles. For example, an amputated foot may be worth approximately $7,000 in workmen's compensation (and in some states less), yet at common law a worker may recover more than 10 times that amount.

A worker who may be earning over $100 per week may recover in workmen's compensation approximately $35 to $40 per week as benefits if he is temporarily disabled from his work. If he is successful in a suit at common law, however, he is entitled to be reimbursed for his complete loss of wages. Therefore, it is important that the injured employee fully investigate the details of the



accident to determine whether or not it was the fault of a stranger or a third party. This involves many medical and legal problems and the employee should not hesitate to seek advice in this regard.

Hazards Growing

In our industrial society, the hazard of accident is constantly growing. As machines grow more complex, as our industry moves at faster speeds, as our highways become more crowded, the danger of accident lurks always in the immediate background. To the worker struck down by serious accident, the great benefits that our society has to offer are of no consequence unless he can recover his health—and unless he can avert financial hardship for his family in the process. That was the intent of workmen's com-

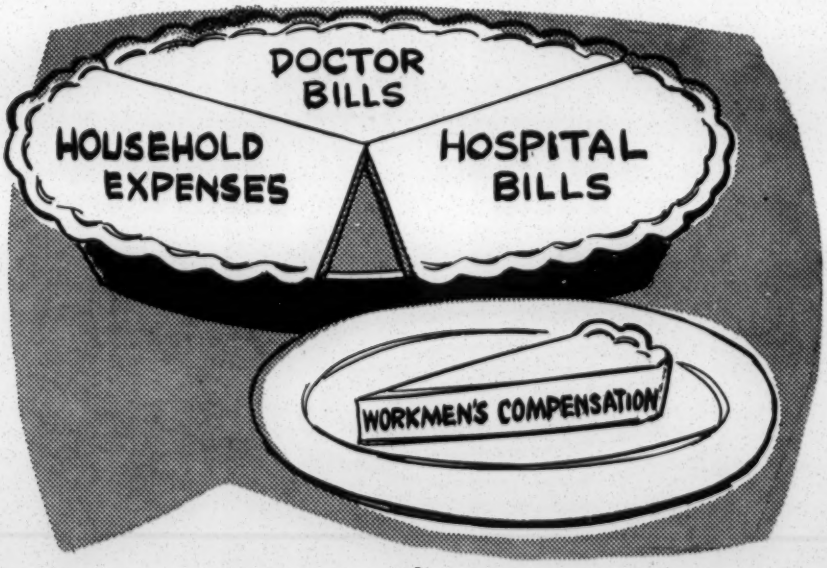
pensation when those foresighted reformers of half a century ago pushed through legislation to provide the payment of a substantial portion of a man's salary to his family when industrial accidents crippled his wage earning capacity.

But the principle has simply not stayed in the race with events. Workmen's compensation is not nearly good enough today, and the process of improving it is slow and fraught with legislative counterattacks from the opposition.

Certainly labor and its friends should work, and work hard, to have workmen's compensation payments made more realistic, so that the program will have some realistic relationship to its purposes. Workmen's compensation is of course tremendously valuable in the handling of small and routine accident cases, but in the vast majority of big, serious accidents, it simply does not make sufficient payment to the injured worker.

That is why I believe that workers and their unions should give increasing thought to the advisability of bringing about "third party" damage suits in the courts in order to win adequate recompense for the workers when the industrial accident brings a payment of $7,000 over 200 weeks; but in law suits in the courts, the same accident, where negligence is present, might win a recovery of between $25,000 and $50,000 — a more realistic payment in view of the damage to the worker's earning power than an amputation might cause.

Many big insurance companies have been seeking to cut the payments which juries award in ac-



cident cases. They have been directing a big campaign to influence potential jury members to be "reasonable" in their awards. The role of the jury in civil cases is a big and complex subject, which space does not permit discussing at length here; but it is clear that the jury is a fundamental part of our democratic heritage, and the whittling down of its field of action will not well serve the ideals of our democratic society.

Because the amount the jury awards in accident cases has been rising, as our standard of living and cost of living have also been on the upgrade, is no legitimate basis for preventing the jury from determining, on behalf of the whole society, how much an injured person should receive when he has been seriously injured. At times it seems that there is great interest in protecting from financial hurt everyone except the man who is injured on the job.

Accident Prevention

It is fundamental, of course, that an accident prevented is far better than a claim won, whether at workmen's compensation or in the courts. Accident rates can be brought much further by giving far greater thought and recognition to safety regulations. A small fraction of the money spent each year in compensation cases and damage awards would buy greater safety on the job, greater human happiness, greater family stability.

The best compensation, in other words, is the accident averted. But when the accident happens, the worker should have the right to fair, realistic workmen's compensation rather than a system 20 years behind the times. And if the facts of the case warrant, he should have the right, and use the right, to file a "third party" damage suit in the courts to get more adequate compensation for the accident that may reduce his earning power for life.

The farmers have lost a cumulative total of more than $23 billion in the past eight years in spite of their supposed political strength, and organized workers have been unable to get punitive features of the Taft-Hartley Act repealed, in spite of their alleged power and funds.

—James G. Patton, president, National Farmers' Union

[n.d.]

DRE

WORKMEN'S COMPENSATION

William Kuhl, Instructor, School for Workers

Background of Workmen's Compensation

The Wisconsin Workmen's Compensation Act took effect on May 3, 1911. Prior to its enactment a worker injured in the course of his employment could obtain indemnity for the injury and wage loss suffered only through instituting a successful damage suit against his employer. The injured worker's claim for damages was invariably adjudicated in accordance with the common law of employer's liability. This meant that he would collect damages from his employer only if he could prove to the satisfaction of the court that his employer had been at fault - that his negligence was the cause for the injury. The employer in his denial of negligence could use any of the following common law defenses: (1) contributory negligence - the worker could not recover damages if he himself had been negligent in any degree, regardless of the extent of the employer's negligence; (2) the fellow-servant doctrine - the worker could not recover if it could be shown that the injury had resulted from the negligence of a fellow worker; (3) assumption of risk - the injured worker could not recover if injury was due to an inherent hazard of the job of which he had, or should have had, advance knowledge. The result was that it was extremely difficult, time-consuming, and costly for an injured worker to recover by court action indemnity for his injury and wage loss suffered. While efforts were made in the latter years of the nineteenth century to restrict the application of these "common law employer liability" defenses, they proved to be of little value to the injured worker who sought to institute successful court proceedings. A new approach to meeting the cost of industrial injuries was necessary.

Workmen's compensation, like unemployment compensation and old age and survivor's insurance, is a type of social insurance. It seeks to insure that workers injured in the course of their employment receive defined compensatory benefits promptly, regardless of fault, and with a minimum of legal formality. In substituting a statutory indemnity procedure for the filing of a damage suit by the injured worker, it fixed the liability for an industrial injury on the employer without regard to fault. The basis for the common law doctrine of employer's liability was thus disregarded. Workmen's compensation is a declaration that injured workers shall receive predetermined indemnity for their injury and wage loss suffered as a matter of right. Compensation shall not be denied a worker injured in the course of his employment. While workmen's compensation legislation directs that the cost of industrial injuries shall be a liability of employers, it recognizes that such costs should be borne by society as a whole. This transfer of liability occurs when the employer in insuring his liability includes this cost in his over-all costs of production. Society in the role of consumers bears the cost of industrial injuries under workmen's compensation. Workmen's compensation is thus that type of social insurance which seeks to provide workers injured in the course of their employment with a minimum of economic protection.

1. What is the purpose of the Wisconsin Workmen's Compensation Act?

TO PROVIDE MEDICAL AND MONETARY BENEFITS TO ELIGIBLE EMPLOYEES WHO SUSTAIN AN INJURY ARISING OUT OF AND IN THE COURSE OF THEIR EMPLOYMENT, AND DEATH BENEFITS TO THEIR DEPENDENTS.

2. Who is covered by the Wisconsin Workmen's Compensation Act?

ALL EMPLOYEES WHO WORK FOR AN ESTABLISHED UNIT OF GOVERNMENT, A "PERSON, FIRM OR CORPORATION WHICH USUALLY EMPLOYS THREE OR MORE EMPLOYEES," OR A VOLUNTARILY COVERED EMPLOYER EXCEPT FARM LABORERS AND DOMESTIC SERVANTS.

Employee is defined to include:

"Every person in the service of another under any contract of hire, express or implied, all helpers and assistants of employes, whether paid by the employer or employe, if employed with the knowledge, actual or constructive, of the employer, including minors...but not including (a) farm laborers, (b) domestic servants..."

102.07 (4)

Employer is defined to include:

"(1) The state, each county, city, town, village, school district, sewer district, drainage district and other public or quasi-public corporations...

"(2) Every person, firm and private corporation ...who usually employs three or more employes...The provisions of this subsection shall not apply to farmers or to farm labor...

"(3) Every person, firm, and private corporation...to whom subsection (2) is not applicable, who has...elected to become subject to the provisions of this chapter..."

102.04

3. What conditions of liability must exist before an employee is eligible to receive workmen's compensation?

1) HE MUST HAVE SUSTAINED "AN INJURY"

"Injury" is defined as "mental or physical harm to an employe caused by accident or disease, and also damage to or destruction of artificial members, dental appliances, teeth and eyeglasses, but, in the case of eyeglasses, only if such damage or destruction resulted from accident which also caused personal injury entitling the employe to compensation therefor..."

102.01 (2)

2) HE AND HIS EMPLOYER, AT THE TIME OF THE INJURY, MUST HAVE BEEN SUBJECT TO THE COMPENSATION ACT
102.03 (1)(b)

3) HE, AT THE TIME OF INJURY, MUST HAVE BEEN "PERFORMING SERVICE GROWING OUT OF AND INCIDENTAL TO HIS EMPLOYMENT" (injured during his employment)
102.03 (1)(c)

4) THE INJURY MUST NOT HAVE BEEN "INTENTIONALLY SELF-INFLICTED"
102.03 (1)(d)

5) THE ACCIDENT OR DISEASE CAUSING INJURY MUST HAVE ARISEN "OUT OF HIS EMPLOYMENT" (injured because of his employment)
102.03 (1)(e)

4. What conditions will disqualify an injured employee from receiving workmen's compensation?

1) FAILURE TO NOTIFY THE EMPLOYER WITHIN 30 DAYS OF THE OCCURRENCE OF THE INJURY

"No claim for compensation shall be maintained unless, within 30 days after the occurrence of injury or within 30 days after the employe knew or ought to have known the nature of his disability and its relation to his employment, actual notice was received by the employer or by an officer, manager or designated representative of an employer." However, "absence of notice shall not bar recovery if it is found that the employer was not misled thereby."
102.12

2) FAILURE TO FILE FOR COMPENSATION WITHIN TWO YEARS FROM THE DATE OF INJURY OR DEATH (SIX YEARS IF ANY COMPENSATION WAS PAID)

"Regardless of whether notice was received, if no payment of compensation (other than medical treatment or burial expense) is made, and no application is filed with the commission within 2 years from the date of the injury or death, or from the date the employe or his dependent knew or ought to have known the nature of his disability and its relation to the employment, the right to compensation therefor shall be barred, except that the right to compensation shall not be barred if the employer knew or should have known, within the 2-year period, that the employe had sustained the injury on which claim is based."
102.12

"The right of an employe...or dependent to proceed under this section shall not extend beyond 6 years from the date of the injury or death or from the date that compensation (other than medical treatment or burial expenses) was last paid, (or would have been last payable if no advancement were made), whichever date is latest."

102.17 (4)

3) FAILURE TO SUBMIT TO A "REASONABLE EXAMINATION BY A PHYSICIAN PROVIDED" BY THE EMPLOYER

"Whenever compensation is claimed by any employe, he shall, upon the written request of his employer, submit to reasonable examination by a physician, provided and paid for by the employer, and shall likewise submit to examination from time to time by any physician selected by..(the Industrial Commission)... The employe shall be entitled to have a physician, provided by himself, present at any such examination. So long as the employe, after such written request of the employer, shall refuse to submit to such examination, or shall in any way obstruct the same, his right to begin or maintain any proceeding for the collection of compensation shall be suspended; and if he shall refuse to submit to such examination after direction by the commission...or shall in any way obstruct the same, his right to the weekly indemnity which shall accrue and become payable during the period of such refusal or obstruction, shall be barred."

102.13 (1)

6. <u>What benefits does the Workmen's Compensation Act provide for injured employees?</u>

1) THAT MEDICAL CARE WHICH IS "REASONABLY REQUIRED TO CURE AND RELIEVE...THE EFFECTS OF THE INJURY" (full medical benefits)

"The employer shall supply such medical, surgical and hospital treatment, medicines, medical and surgical supplies, crutches, artificial members, appliances, and training in the use of artificial members and appliances...as may be reasonably required to cure and relieve from the effects of the injury, and to attain efficient use of artificial members and appliances, and in case of his neglect or refusal reasonably to do so, or in emergency until it is practicable for the employe to give notice of injury, the employer shall be liable for the reasonable expense incurred by or on behalf of the employe

in providing the same. The employer shall also be liable for reasonable expense incurred by the employe for necessary treatment to cure and relieve him from the effects of occupational disease prior to the time that the employe knew or should have known the nature of his disability and its relationship to employment..."
102.42 (1)

"The employe shall have the right to make choice of his attending physician from a panel of physicians to be named by the employer...(The panel shall consist of) a reasonable number of competent and impartial physicians...Nothing contained in this section shall limit the right of the employe to make a second choice of physician from the panel of physicians named by the employer."
102.42 (2)

"No compensation shall be payable for the death or disability of an employe, if his death be caused, or insofar as his disability may be aggravated, caused or continued (a) by an unreasonable refusal or neglect to submit to or follow any competent and reasonable medical or surgical treatment, (b) or, in the case of tuberculosis, by his refusal or neglect to submit to or follow hospital or sanatorium treatment when found by the commission to be necessary. The right to compensation accruing during a period of refusal or neglect under (b) shall be barred, irrespective of whether disability was aggravated, caused or continued thereby."
102.42 (7)

2) MONETARY COMPENSATION IF THE INJURY "CAUSES DISABILITY" (monetary benefit for lost wages)

"If the injury causes disability, an indemnity shall be due as wages...after the employe leaves work as the result of the injury, and shall be payable weekly thereafter, during such disability."
102.43

A) WAITING PERIOD OF THREE CALENDAR DAYS UNLESS DISABILITY CONTINUES LONGER THAN TEN CALENDAR DAYS

"An indemnity shall be due as wages commencing with the fourth calendar day, exclusive of Sundays only, excepting where such employees work on Sunday, after the employe leaves work as the result of the injury...If the disability shall exist after ten calendar days from the date the employe leaves work as a result of the injury and

only if it so exist indemnity shall also be due and payable for the first three calendar days, exclusive of Sundays only, excepting where such employes work on Sunday."
102.43

B) AMOUNT OF WEEKLY INDEMNITY (amount of monetary compensation)

Total Disability

70% of the injured employe's average weekly earnings with a maximum weekly indemnity of $49.00 and a minimum indemnity of $8.75 for temporary total disability and $14 for permanent total disability.

"If the injury causes total disability, seventy per cent of the average weekly earnings during such total disability."
102.43 (1)

"The average weekly earnings for temporary disability shall be taken at not less than $12.50 nor more than $70; for permanent total disability or death at not less than $20 nor more than $70..."
102.11 (1)

"Daily earnings shall mean the daily earnings of the employe at the time of the injury in the employment in which he was then engaged. In determining daily earnings...overtime shall not be considered...The average weekly earnings shall be arrived at by multiplying the daily earnings by the number of days and fractional days normally worked per week at the time of the injury in the business operation of the employer for the particular employment in which the employe was engaged at the time of his injury."
102.11 (1)(a)

"Average weekly earnings shall in no case be less than actual average earnings of the employe for the calendar weeks during the year before his injury within which the employe has been employed in the business, in the kind of employment and for the employer for whom he worked when injured..."
102.11 (1)(d)

"Average weekly earnings shall in no case be less than 30 times the normal hourly earnings, at the time of injury..."
102.11 (1)(f)

Permanent Partial Disability

70% of the injured employe's average weekly earnings with a maximum weekly indemnity of $37.00 and a minimum indemnity of $14.00

"Permanent partial disability not covered by the provisions of sections 102.52 to 102.56...shall be payable at the rate of 70 per cent of the average weekly earnings of the employe to be computed as provided in section 102.11."

102.44 (3)

"In cases included in the following schedule of permanent partial disabilities indemnity shall be paid... at the rate of 70 per cent of the average weekly earnings of the employe, to be computed as provided in section 102.11."

102.52

"The average weekly earnings...for permanent partial disability (shall be taken) at not less than $20 nor more than $52.86."

102.11 (1)

Partial Disability

That per cent of the weekly indemnity rate for total disability which is the relationship of the actual wage loss of the injured employee to his average weekly wage.

"If the injury causes partial disability, during the partial disability, such proportion of the weekly indemnity rate for total disability as the actual wage loss of the injured employe bears to his average weekly wage at the time of his injury."

102.43 (2)

"If the disability period involves a fractional week, indemnity shall be paid for each day of such week, except Sundays only, at the rate of one-sixth of the weekly indemnity."

102.43 (4)

C) DURATION OF WEEKLY INDEMNITY (length of monetary compensation)

Temporary Disability

"If the injury causes total disability...during such total disability."

102.43 (1)

Permanent Total Disability

"In the case of permanent total disability aggregate indemnity shall be weekly indemnity for the period that he may live."

102.44 (2)

Permanent Partial Disability

a) Schedule of Permanent Partial Disabilities

Healing period plus the statutory specified number of weeks for the particular disability. The number of weeks is reduced if the injured employe is over 50.

"In cases included in the following schedule of permanent partial disabilities indemnity shall be paid for the healing period, and in addition thereto, where the employe is 50 years of age or less, for the period specified..."

102.52

"In cases where the injured employe is above 50 years of age when injured the periods for which indemnity shall be payable...shall be reduced from those specified in section 102.52 by 2½ per cent for each year that the age of such employe exceeds 50, with no reduction in excess of 50 per cent."

102.53 (2)

b) Non-Scheduled Partial Disabilities

Per cent of permanent total disability as a per cent of 1000 weeks for employes 50 years of age or less. The number of weeks is reduced if the injured employe is over 50.

"For permanent partial disability not covered by the (law's schedule) the aggregate number of weeks of indemnity shall bear such relation to the number of weeks set out in paragraphs (a) and (b) as the nature of the injury bears to one causing permanent total disability...Such weekly indemnity shall be in addition to compensation for healing period and shall be for the period that he may live, not to exceed, however, these named limitations, to-wit:

(a) One thousand weeks for all persons 50 years of age or less.
(b) For each successive yearly age group, beginning with 51 years, the maximum

n.d.

"WORKMEN'S COMPENSATION"

I

HISTORY & NATURE OF THE ACT

Germany adopted its act in 1884 and England in 1897. Both these countries have disability insurance which covers benefits to employees for non-industrial disability. Wisconsin adopted its act in 1911, covering only work connected disability.

New York, New Jersey, California and Rhode Island provide non-industrial disability benefits. The general rule is that the employees and employers share the cost of the premiums for non-industrial disability benefits.

Some unions negotiate these benefits.

A system which covers only disability arising out of employment encourages insurance carrier or employer resistance to bona fide claims for workmen's compensation.

Organized labor should seek legislature covering non-industrial disability.

II

THE THEORY OF THE ACT & HOW IT WORKS

A worker is entitled to workmen's compensation benefits, "where at the time of injury, the employee is performing service growing out of and incidental to his employment."

Employee must prove that he was injured while engaged in some activity related in some way to his employment.

Injured on the Job

Most frequent type of accident occurs on the job while employee is struck by falling or moving object, where he slips or falls or where he strains or over

exerts himself.

NOTE: Where employee slips or falls and cannot explain how or why, benefits will be denied.

NOTE: Employee should beware of giving statements to employer representative outside presence of attorney. If employee states, "I don't know what I slipped on," his case may be lost.

Injured While Going to and from Work

General Rule: Benefits paid only where injury takes place on company property, company steps or company owned parking lot.

Injured While Attending to Personal Needs

General Rule: Employee injured while eating lunch, on coffee break, going to toilet or during wash up time, if on company property, is entitled to benefits. Some exceptions where employee entitled to benefits while off company property.

Injured During Horseplay or Fighting

General Rule: Employee entitled to benefits unless he started the horseplay or was the aggressor in the fight.

III

GIVING PROPER NOTICE TO EMPLOYER

All injuries should be reported to employer immediately so as to dispel employer distrust. Especially true with back injury which at first may not appear very serious.

Obtain names and addresses of witnesses. It is also wise to notify union steward on date of injury for corroboration.

Notice & Filing Limitations

The law provides that an injured worker should give notice to his employer within thirty days of any industrial injury or occupational disease or within thirty days after employee knew or ought to have known the nature of his dis-

ability and its relationship to his employment.

Application must be filed with the Industrial Commission within two years from the date of the injury or death or from the date the employee or his dependant knew or ought to have known the nature of the disability, its relationship to his employment, unless employer knew or should have known within the two year period that the employee sustained the injury on which the claim is based.

Payment of compensation other than medical expenses is exception to above two year rule.

In any case, an employee must file his claim with the Industrial Commission within six years of the date of injury or disease or from the last date that compensation was paid -- (excludes medical expense payment.)

IV

KEEPING A WRITTEN RECORD

Employers and insurance carriers may contest a claim for a variety of reasons ranging from disbelief of injury to a desire to **minimize payment** of money.

While it is unrealistic to believe that every injured employee will keep a detailed record of his injury, the following list of information is helpful to an attorney in preparing for a workmen's compensation hearing.

1. The date of injury or first indication of an occupational disease. The date is very important.

2. The type of accident such as struck by an object, over-exertion, etc.

3. The nature of the injury or disease such as cut, sprain, hernia.

4. The part of the body affected such as a finger, low back, etc.

5. The kind of action that was taking place such as lifting, carrying, bending.

6. The source of injury such as machinery, hot or flammable substance.

7. The weight of the object causing the injury.

8. Physical symptoms such as sharp pain, stiffness, loss of motion, rash.

9. How long the symptoms lasted and if and when they recurred. (dates)

10. All doctors seen and on what dates.

11. Names of any witnesses who saw the accident or who the injured employee spoke to immediately following the injury.

12. All money spent on doctors, examinations, treatment, medicines, transportation. (Be sure to get receipts.)

13. All days and parts of days lost from work because of the disability.

14. Demand and keep any statement made to the employer or the insurance company representative.

15. Keep copies of any agreement of final receipt signed for a workmen's compensation claim.

V

UNLIMITED MEDICAL, HOSPITAL & SURGICAL EXPENSE PAID FOR

An injured employee who is injured at work or who suffers from occupational disease is entitled to unlimited hospital and medical attention, crutches, and artificial limbs and training in their use and lost time and traveling expense when undergoing treatment or examination.

However, employee must comply with employer's selection of medical panel of doctors and employer must sufficiently notify employees of panel and must have broad enough panel to satisfy Industrial Commission.

Some employers allow open panel of doctors.

Can go to any doctor in emergency.

Chiropractors not covered.

Employee should not reject reasonable examination or treatment where requested by employer.

VI

DISABILITY BENEFITS

Where employee misses less than ten days of work, he is not paid for first three days.

Temporary total disability payments are computed on 70 percent of employee's weekly wages with maximum of $68 per week.

Permanent partial disability based on scheduled benefits, i.e., loss of hand at wrist, 400 weeks. Ten per cent loss of use of hand would be 40 weeks. Maximum payment is $46 per week for permanent partial disability.

Reduction of permanent disability benefits by 2½ per cent for each year employee over 50 years of age. Maximum reduction 50 per cent.

Rehabilitation

Where employee has suffered from serious industrial injury or disease making it difficult or impossible to do his regular work, he may be eligible to receive up to 40 weeks of additional benefits while taking rehabilitation instruction.

Death Benefits

May vary in amount up to $19,430.00 (as of 1965), children under sixteen may be entitled to additional benefits and children over sixteen if mentally or physically incapacitated may be entitled to additional benefits.

Burial expenses up to $500 allowed.

No reduction in benefits because of age of deceased.

VII

BENEFITS MAY BE INCREASED OR DECREASED IF VIOLATION FOUND

Fifteen per cent increase if employer violates safety codes.

Employee or union can obtain copy of safety code by writing to Industrial Commission.

Safe Place Statute. Employer must do everything reasonably necessary and adopt and use methods and processes reasonably adequate, to protect the life, safety and welfare of his employees. If employer fails to comply with safe place statute, employee is entitled to fifteen per cent increase in benefits.

Employee loses fifteen per cent of benefits if injury occurs because of intoxication.

VIII

RETURNING TO WORK PROBLEMS

Employer may be fined up to $500 for refusing to re-employ injured employee. Each day's refusal could be considered a separate violation. Employee should make effort to return to work where employer or employer's physician make such request.

Further compensation due where recurrence of injury.

IX

STIPULATION VERSUS COMPROMISE

Where there is a dispute as to whether benefits are due, employee and employer can work out agreement before Commission.

If word stipulation is used, employee can reopen case within six year period should there be a recurrence or worsening of his injury or disease.

If word compromise is used, employee has only one year to reopen.

Employees advised to avoid compromise agreements, particularly where permanent disability involved.

X

DISPUTED CLAIMS & HEARINGS

Where employee desires a hearing, he must file an "Application for Adjustment of Claim" in triplicate with Industrial Commission. Forms can be obtained from Commission.

Where a claim is in dispute, an employee generally will be aided by retaining a lawyer. Attorney fees are 20 per cent of amount in dispute.

Employee must pay for medical examination and medical testimony even if successful in his claim.

THIRD PARTY ACTIONS

60% of wages
or max of $50

represents only about
40%

---

after Jan 1st
U.I. 1 or more over 1500
in a quarter —
Still a tremendous # not
covered — Wm George
W.C. — 10 or more

Ag Workers — excludes
10 or more

[Are counties & municipalities covered
public —]

Reason for having or not
having coverage — pressure
2 who pays —
Competitive position

Wm George

Arousen

Kehrer

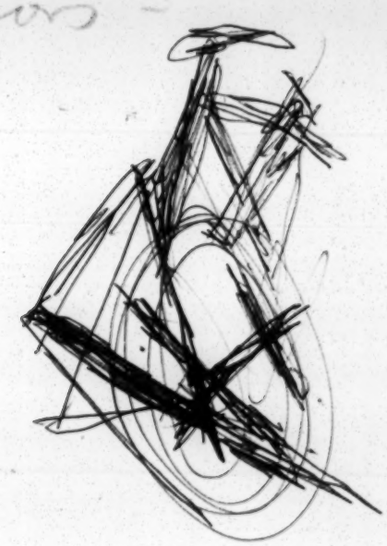
Exclusions —
1) Farms ?
2) State & local govt
3) size of enterprise

[NOTE: This page was found un-folder-ed in the coll'n. It has been added to this folder because of ref. at bottom of page to a job injury. Lya]

Charles Kelley —

Dlsey. of Laborers —

Hartzell Hay —



Paul Anthony —
Former Dir of Human Council
& Says hello —

Prof Equality —

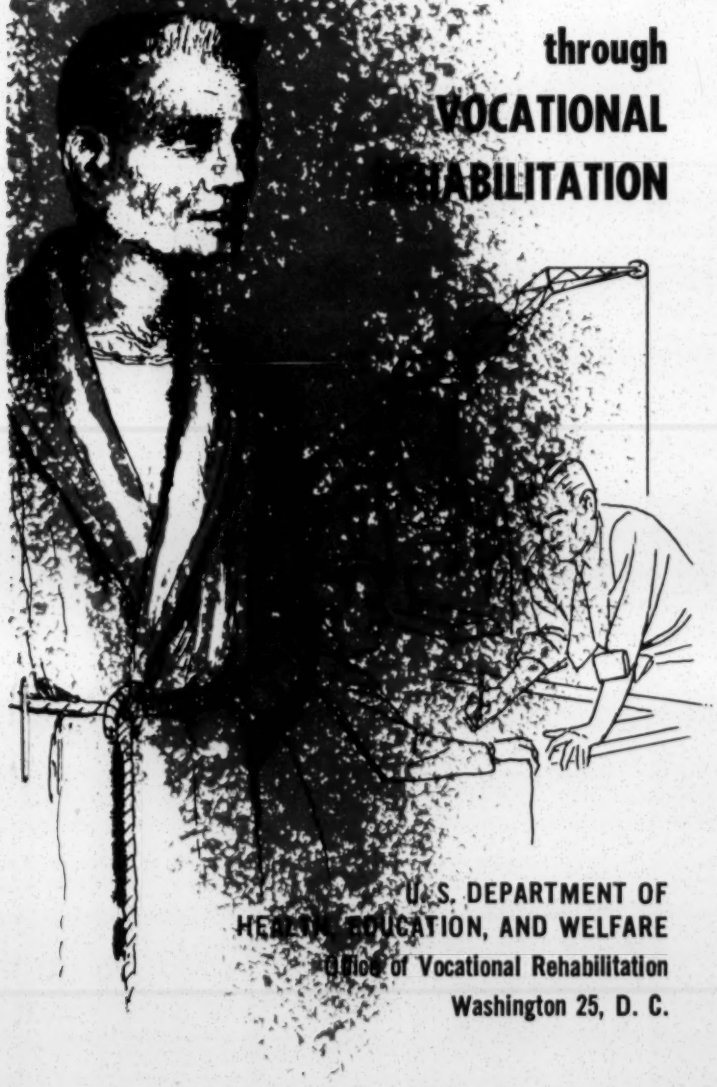
Herman Laskin
NP Admin —

Feasibility needs to be shown

Hay — injured on the job
↳ permanent —
active in Bldg. Trades Council

6 mos — $3,500

Opportunities for the Tuberculous through VOCATIONAL REHABILITATION



U. S. DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE

Marion B. Folsom, *Secretary*

Office of Vocational Rehabilitation

Mary E. Switzer, *Director*

VR-ISC-5
Revised August 1957

U. S. GOVERNMENT PRINTING OFFICE : 1957—O-430960

U. S. DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
Office of Vocational Rehabilitation
Washington 25, D. C.

Where To Find It

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This pamphlet is issued for the purpose of general information. It does not have the effect of law, regulation, or ruling.

Introduction

This pamphlet was written so that men and women who have tuberculosis or who have had it may know about public services they can get to help them back to work for pay. The States and the Federal Government share in giving their people these services. They call these services *vocational rehabilitation.*

OPPORTUNITIES FOR THE TUBERCULOUS was written as much for hospital patients as for patients who are not in hospitals. The National Tuberculosis Association helped this office to collect and arrange the information in this pamphlet. The Public Health Service also has reviewed and helped in the preparation of the publication. They and we hope that it will be helpful to each man and woman whose chance to work has been affected by tuberculosis.

This is what we should like you to know:

There is a way to make a comeback to work and to a happy life. Vocational rehabilitation is helping many to find that way. You can start your rehabilitation plans even when you have "active" tuberculosis *IF the doctor thinks this is safe for you.* Start as soon as your doctor says you may. There is no work which is as hard as "no work." You, and other men and women with tuberculosis, can look ahead, and plan ahead, for the day when you will have made *your* comeback.

MARY E. SWITZER,
Director,
Office of Vocational Rehabilitation.

Opportunities for the Tuberculous

You wouldn't think that tuberculosis gave you an "opportunity," would you? Having had tuberculosis, though, you may have your first opportunity to take stock of yourself and plan to work at the kind of job you can do best.

"Vocational rehabilitation" is what we are talking about. Vocational rehabilitation is a service which your State and Federal governments provide to civilian men and women who are sick or injured. It helps them get back to work for pay in jobs which they can do safely and well. It may give *you* the services you need to get back to the kind of work you used to do. It may help you to find other work which is safer for your health and which makes better use of your skills.

This vocational rehabilitation service isn't just a handout to people who have had bad luck. It's a Government investment in men and women who are important to themselves and their families and also to other men and women in this country. Your hometown and your country are better off when *you* are better off, and working happily and safely.

The sooner you use rehabilitation services, the better. Ask your doctor to let you know just when you can begin. Many people can start rehabilitation services even when their tuberculosis is "active." The doctor decides the time that is right for *you*.

What Services Can the Tuberculous Get?

There's hardly a service you *can't* get—if you really need that service to get over a job handicap! You can get services in a hospital, or outside. (People sometimes call treatment institutions "sanatoriums," but this pamphlet will always say "hospitals.") Services include:

1. **Complete physical examination to see how disabled you really are from tuberculosis, to find any other disabilities, to learn how much work you can do—and if your disability really keeps you from working. This is *free* to you.**
2. **Medical, surgical, psychiatric, and hospital services, as needed, to help you get over your disabilities. The rehabilitation counselor will explain when you can get these services. If you need them and there is no other way of paying for them, vocational rehabilitation money will meet the bill.**
3. **Prosthetic appliances, such as artificial arms or legs, braces, eyeglasses, and hearing aids, if needed. If you can't pay for them, Government money will.**
4. **Counseling and guidance to help you decide what job or business will be best for *you*. The counselor talks this over with you and helps you choose. You don't pay a cent for this.**
5. **Training for the *right* job, so you can learn to do it well. Training can be in schools, on a real job, through correspondence courses, or from a private teacher. It is generally *free*.**
6. **"Maintenance" money to live, and to get to and from places where you get rehabilitation services, if you cannot pay these necessary expenses.**
7. **Needed tools, equipment, licenses, or first stocks**

of goods to give you a start. If you can't pay for them, the rehabilitation agency will.

8. Finding a safe job for you—called "placement." Free.

9. "Followup," or keeping in touch with you, to make sure that you and your job are all right. This is free, too.

You may need one or several of these services. The ones you get, and the times at which you get them, depend on what *you* need.

Do YOU Need Rehabilitation Services?

Well, if you do, you're not alone. The National Tuberculosis Association estimates that about 250,000 people in the United States have active tuberculosis at any given time. There are probably 550,000 more people who have had tuberculosis and become well enough to work again. That makes 800,000 in all. Very few of these people have been without their problems, and one of their problems has often been getting back into the harness—either in a job or in taking care of a home. Nevertheless, more people are getting well from tuberculosis each year, and finding their way back. But you are interested in YOU, which is natural.

Maybe you are a man, over 45, and your friends say employers won't hire you. Maybe you did heavy work on a farm, in a coal mine, or on a construction job, and the doctor said, "No," when you asked him if you could go back to the job. Maybe you didn't have a chance to go very far in school. Maybe you think you won't be able to earn much again because you don't know how to do anything but the job you used to do. Maybe you feel you have to take a drink.

Or maybe you're a housewife with four children to look after, do the washing and ironing, clean the house, cook and scrub; and who then worries about where she'll end if she doesn't find a way of getting more rest. Or . . . maybe you've just never worked before.

Rehabilitation services can help people like this and many more people who have other problems. It is safe to say that the vocational rehabilitation agencies in this country could help about 100,000 people who have had tuberculosis.[1] Why not help your State rehabilitation agency to help you? Get in touch with it.

THEY "Made it" YOU Can, Too!

The work records of men and women who have had tuberculosis are good. Tuberculosis hasn't taken away their skills, their good common sense, their wish to get ahead. Maybe it *has* slowed them up a bit. Maybe some of them *have* had to change the kind of work they could do to stay well. But when they are working again in jobs that the doctors say are safe, they are good steady workers. They aren't often absent, and do not jump from job to job. The good part is that the tuberculous who have used rehabilitation agency services have much better health records, later, than those who have not. A rehabilitation counselor from New York State reported this after a study.[2]

NOW . . . ABOUT JOBS

What kinds of jobs can people who have had tuberculosis do? Hundreds of different kinds! Each person

[1] A study, in California, with which the Federal Office of Vocational Rehabilitation helped, showed that one of each two patients studied, in and out of hospitals, needed some rehabilitation services.

[2] Vocational Rehabilitation of the Tuberculous, by Sol L. Warren, Ph. D., National Tuberculosis Association, 1955. 193 pp.

is, of course, different. Each has certain amounts of schooling, experience, and ability which are His. All of these are important in jobs—for everyone. Tuberculosis does not change these things that are part of a person, but it *does* make it necessary for tuberculous people to work in jobs which are safe for their health. The doctor works with the rehabilitation counselor and you to be sure that the job in which you are "placed" (or "place yourself") is one in which you can be happy, and successful, and stay well.

In just one year—1956—State vocational rehabilitation agencies placed 7,045 men and women who had had tuberculosis in jobs. Some were helped to become managers; some, professional or semiprofessional workers; some, technical employees. Some did clerical or sales work; some, service jobs; some went into skilled, semiskilled, or unskilled jobs. There were telephone operators among them—and teachers, draftsmen, reporters, commercial artists, radio operators, farm workers, janitors, and stenographers. Employers hired them because they were confident they'd make good in their jobs. Workmen's Compensation laws didn't keep them from getting jobs, either.

WORKING FOR BETTER PAY

These men and women are working today—for they were helped to choose their jobs wisely. They have been able, ever since, to do them without being afraid that their work would be too much for their health. Some of these people found, for the first time in their lives, the jobs that were best for them.

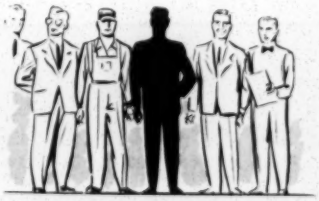
The pay envelopes of these people who "made it" tell a story, too. After 7,045 people who had had tuberculosis were rehabilitated, they were earning much more money than they had earned before. About 9 out of 10 of them were earning no money

at all when they started getting rehabilitation services. One out of every eight had *never* worked. Others were earning money, but they were doing jobs which were not safe for their health.

After rehabilitation, 9 out of 10 of the 6,123 persons who had had no jobs when they started with rehabilitation services, were getting pay checks which averaged $2,445 per year—$2,445 *a year compared with no money at all before rehabilitation!* The average person who had had tuberculosis, and had been getting wages before starting rehabilitation, was earning $1,470 a year at that time. But after rehabilitation this average jumped to $2,560 a year.

These are facts. They prove that people who have rehabilitation services not only get back to work in hundreds of different kinds of jobs. They get ahead in their work.

Where Do YOU Come in?



Can *you* get these rehabilitation services? Why not? Let's face it! You have, or have had tuberculosis. That's not fun! What's more, tuberculosis is a "disability." But rehabilitation services are specially planned for people with disabilities. You are one of these people. *That's* where you come in! And it's a pretty good bet that you can get the services you need.

Sometimes, people with tuberculosis have to do things differently than they did them before they were sick—even in their work. Sometimes, with up-to-date medical treatment, people who have had tuberculosis can do most of the things they did before. This is often true if their old jobs and their fun did not put heavy strain on them.

If Your disability from tuberculosis keeps you from going back to your old job, or makes it hard

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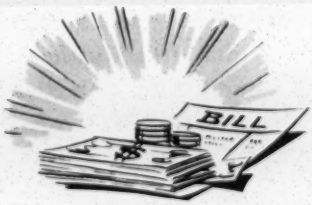
for you to get a new one which your doctor says is all right for your health, you should try to get rehabilitation services. Even if your doctor says you can go back to a job you know, but you are afraid to do that, rehabilitation services may help you—for the way you *feel* about working can help you to find a job or lose the chance of getting one. You are "eligible" for rehabilitation services, or should get them, if you:

1. **Have a disability which keeps you from working at a job which the doctor says is safe for your health;**
2. **Have a fair chance, with help, of getting a job which is all right;**
3. **Are of working age, or near it.**

Some people have other disabilities, added to their tuberculosis, such as heart disease, arthritis, diabetes, emotional illness, or even the habit of drinking too much. The State vocational rehabilitation agencies give services to help people get over such disabilities, too, if they keep people from working.

In all cases your State rehabilitation agency will decide who is eligible for service. You can help by answering the questions they have to ask you when you go to them.

Who Pays the Bill?



Anybody wants to know what things are going to cost, before buying them. That's just good business, so you will probably want to think about that, too. There's an old saying that "the best things in life are free." Many vocational rehabilitation services are free, too. They may be the best things in life for YOU.

Here's what you can get, without paying a cent: *Complete* physical examination to see just how much

work you can do, safely; a rehabilitation counselor's help in learning about the different kinds of jobs you can probably do, and in picking out one which you *want* to do; help in finding the job you've picked; the counselor's help, after you get that job, to be sure it's as *right* for you as you thought it would be.

You can also probably get free training for a job, if you need it. If you need special medical treatment services, artificial self-help appliances, help with living expenses while you receive other rehabilitation services, or tools or licenses for a job, and cannot manage to pay for these, the vocational rehabilitation agency helps pay for them.

It may pay the whole bill for some of these things, but you will be asked to pay as much as you can toward them.

Some Questions Are Necessary

In finding out how much you can pay for needed services which are not free, the rehabilitation counselor in the hospital, or outside, will have to ask you some personal questions about how much money you have. This is necessary, under Federal and State laws about these questions. But vocational rehabilitation wants to help you. So it will not ask you to bankrupt yourself or mortgage your future.

The information you give to the counselor will be kept confidential. Since it will not be told to other people without your consent, you can feel free in talking over your money problems with the counselor. The money which the State vocational rehabilitation agency spends in these ways, to help people who have had tuberculosis, has to be spent carefully. Some of the money comes from the Federal Government; some, from the State.

You, your family and friends, and other people who are taxpayers want this money to go to people who really need it and can be helped by it. Everyone (*you*, too) shares in helping the Government to get the

money it needs to run the country for the good of the people who live in it. Your biggest contribution, whether you can help pay the bill or not, will be in working along with the rehabilitation counselor, the doctor, and the other people who will help you get into safe work which you like.

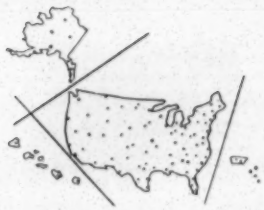
Put Your Key in the Right Door!

If you go through "the door" of your State vocational rehabilitation agency you may be surprised to learn how many other doors it can help you to open. You won't be puzzled, though, because you'll learn just how to get to those other doors, and what to expect when you go through them.

The State vocational rehabilitation agency knows the places to go for different kinds of help, in your hometown and near it. It could never, by itself, give all the kinds of services needed by all the people who come to it. When you need a service to "get going" in a job, the agency will either provide this service or buy it for you from someone else.

If you need special medical service, the agency buys it from doctors, specialists, clinics, or hospitals. It buys training that you need from public, private, and correspondence schools; colleges and universities; or private teachers. Sometimes, *it buys training from an employer,* if the employer is willing to take you on, and train you while you work on a real job. If you get on-the-job training, you will work under special Government wage-and-hour rules and under the standards which organized labor approves. Also, you may need some help with family or personal worries. The rehabilitation agency gets service to help you with these problems from social service organizations and other places, if it cannot give these services to you itself.

Where To Go for Services



Wherever you are—in any State of this good country of ours, in the District of Columbia, Alaska, Hawaii, the Virgin Islands, or Puerto Rico—you can find a vocational rehabilitation agency. The States and Territories run these agencies. The Federal Government helps. The main office of the vocational rehabilitation agency is usually in the capital city of the State. There are generally local offices in other good-sized cities, too, so that people from anywhere in the State can get to them easily.

IF YOU ARE IN THE HOSPITAL, now, you may say, "Get to them *easily! How*—when I'm in bed most of the day?" You should *get* the rehabilitation services you need, though, *when you need them,* and when the doctor thinks *you* are ready for them. Remember? In order that this can happen, rehabilitation agencies often send counselors to tuberculosis hospitals, to talk with patients, explain services they can get, and start needed services as soon as it is safe to do so. Sometimes, there is a counselor on the hospital staff, too.

Get an Early Start

"Time is money" in rehabilitation. It will pay to start rehabilitation planning just as soon as the doctor says you may. Let him know that you are interested, so that he can tell you how to get the ball rolling. More and more doctors believe that patients should start their rehabilitation when they are still in the hospital. At last count, 7 out of every 10 tuberculosis patients served by vocational rehabilitation agencies were sent to them by hospitals and clinics. Patients think early service is a good idea, too. They say it makes them more anxious to do the things the doctors order, so they can really get busy again, as soon as possible. Then, too, patients know that when they use rehabilitation services, they have a much better chance of staying well, later.

But maybe you're not in a hospital—and never were! That doesn't make any difference. If you have tuberculosis, or have had it, you have a good chance of getting services from the vocational rehabilitation agency if you need them.

Ask your doctor for the address of the nearest rehabilitation agency office. Better still, look in the telephone directory for the address—but don't forget to let your doctor know that you are doing this. He can help, for he will have to let the counselor know that he approves a plan which will use some of your physical energy.

What's the Name of That Agency?

In most States the agency is called the *"Division* of Vocational Rehabilitation," but it may be called a *"Bureau"* or *"Commission."* Look up the section in the telephone book, headed by the name of your State, which lists your State agencies. If you do not find the agency under one of the three headings suggested, look under "Department of Education," for the rehabilitation agency is often a division of the State "department." (It's not a bad idea, either, to read down the whole list of State agencies, to learn of all the kinds of departments your State government has for its people.) If you still can't find the rehabilitation agency address, call your State or county tuberculosis association, State or county health office, public school department, or local welfare office. Other places from which you should be able to get information are hospitals, clinics, labor unions, the State employment service, or the local Red Cross chapter. At the back of this pamphlet you will find the address of the main office of each State agency, and the number of local offices, if any.

If the doctor thinks you should not spend the energy to visit the vocational rehabilitation agency, write to it. The agency rehabilitation counselors can often come to see patients in their homes if this is necessary.

The Start Is Important!

In rehabilitation, as in everything else, you'll never get anywhere unless you start. What really happens when you *do* "get going?" The steps in rehabilitation are simple. Here they are:

STEP 1.—*You start by getting in touch with your State vocational rehabilitation agency.* Start just as soon as your doctor gives you the green light. Follow the "ground rules" that you found on page 11 in "Where To Go for Rehabilitation Services."

STEP 2.—*Once the doctor says, "Okay," you are ready to see the rehabilitation counselor.* You'll find him a good friend who really wants to help. Of course *you* help, too, by telling him what you want to do, and what you *can* do—your schooling, work experience, skills, and health record. If you happen to need rehabilitation services that are not always free, the counselor will also need to know if you can pay something toward them.

The Checkup Again

STEP 3.—*A physical checkup!* Again? Yes, so that your doctor can be sure that the things you want to do are really going to help you get well and stay well. This time, you'll have a complete examination. Of course the doctor will check your chest—but you're more than a pair of lungs. He'll want to look over all of you, and maybe even call in a specialist or two. A thorough examination makes it safer for you in two ways. First, you can be sure that the plan you've picked is safe for your health. Second, if there is anything else the matter with you, you can get help for that disability, too. If you are in the hospital, the hospital doctor can examine you. If you are at home, probably your family doctor will do this. The complete examination helps to show just how much physical energy you can use. It helps to point the way to a safe job.

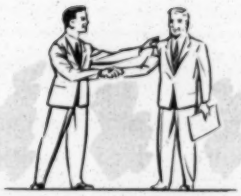
STEP 4.—*You and the counselor decide on your job "goal,"* or what kind of work will be best for you. You match what the job demands *from you,* against what *you have* to give the job—physical energy, skill, ability, and interest. Maybe you will need a short tryout period before you start real work or training. Maybe you will take some of those tests which help to find your special work skills. Perhaps some personal or family worries have come up, and you think things are "in a mess" but don't quite know what to do about them. The rehabilitation counselor knows where to get the services you need, wherever you are. He will go over your questions and your records with you so that you can come up with a good plan. You, the counselor, and the doctor will decide together on the kind of services you need and the time you should get them.

Kinds of Training

STEP 5.—Now comes training, if you need it! You can even start this in the hospital if the doctor says it is safe. If you've grown a bit rusty, you may need *brush-up* training. You may need training for your first job, or retraining for work that is different from what you did before. Maybe you will need extra training for work which the doctor, you, and the counselor pick because it will be better all around. You can get training in a public or private school, in a college or university, on the job, through a correspondence course, from a private teacher, or in several of these ways at the same time.

If you cannot pay for books or other needed training supplies, the State rehabilitation agency will help you get them. If you are not in a hospital, and need help with living expenses or carfare, the rehabilitation agency may help to take care of these costs, too.

Whatever the training, the doctor must know that it will not be too much of a strain. Your training must also be for a job which the doctor thinks is safe. During your training, you will get regular health checkups from your own doctor or in a public health clinic.



A Job . . . AND SUCCESS

STEP 6.—*And now for the job!* Not just *any* job—but the *right* job for you. In helping you with job placement, the counselor will work with you and your doctor. He will also work with the State employment service. They want to be sure that the job will be right for *your* abilities and *your* health, and that it will be a job which *you* like and can do.

STEP 7.—*Followup is the last step.* All along the rehabilitation road, you've been taking stock of yourself to see where you'd go and how you'd get there. Now, you and the counselor take stock again to see that your new job is really right for you. The counselor will get in touch with you after you are in your job to see that everything is going smoothly, that your boss is satisfied, and that your health is standing up. If a little change is needed along the way, the counselor will help you make it. You are rehabilitated when you have been in a satisfactory job long enough to prove that you can do it well and that your health is not suffering.

A Step at a Time . . . and You'll Make it.

HAPPY TRAVELING!

Address of State Offices

In States where a single address is listed, the agency conducts the rehabilitation program both for the blind and for the sighted disabled. The word "blind" in parentheses after an address indicates that the agency deals exclusively with the visually handicapped. See page 12 for the titles by which State agencies generally are known.

ALABAMA

416 State Office Building, Montgomery (17 local offices).

ALASKA

P. O. Box 2568, Juneau (four local offices).

ARIZONA

1602 West Jefferson Street, Phoenix (four local offices).
1632 West Adams Street, Phoenix (blind, one local office).

ARKANSAS

303 Education Building, Little Rock (15 local offices).

CALIFORNIA

721 Capitol Avenue, Sacramento (26 local offices).

COLORADO

510 State Office Building, Denver (7 local offices).
100 West Seventh Avenue, Denver (blind).

CONNECTICUT

33 Garden Street, Hartford (11 local offices).
State Office Building, Hartford (blind).

DELAWARE

11 Concord Avenue, Wilmington.
305 West Eighth Street, Wilmington (blind).

DISTRICT OF COLUMBIA

819 Ninth Street NW., Washington, D. C.

FLORIDA

105 Knott Building, Tallahassee (12 local offices).
P. O. Box 1229, Tampa (blind, three local offices).

GEORGIA

129 State Office Building, Atlanta (22 local offices).

HAWAII

413–414 Queen Liliuokalana Building, Miller and Vineyard Streets, P. O. Box 2360, Honolulu (three local offices).
1390 Miller Street, Honolulu (blind).

IDAHO

State House, Boise (two local offices).
103 Ninth Street, Box 1189, Boise (blind).

ILLINOIS

400 State Office Building, Springfield (22 local offices).

INDIANA

145 West Washington Street, Indianapolis (12 local offices).
536 West 30th Street, Indianapolis (blind).

IOWA

415 Bankers Trust Building, Des Moines (nine local offices).
Commerce Commission Building, East 12th and Court Streets, Des Moines (blind).

KANSAS

1025 Kansas Avenue, Topeka (eight local offices).
801 Harrison Street, Topeka (blind, five local offices).

KENTUCKY

State Office Building, High Street, Frankfort (11 local offices).

LOUISIANA

345 Lofaso Street, Baton Rouge (16 local offices).
Boyd Avenue, P. O. Box 4065, Baton Rouge (blind, four local offices).

MAINE

32 Winthrop Street, Augusta (five local offices).
State House, Augusta (blind, two local offices).

MARYLAND

2 West Redwood Street, Baltimore (11 local offices).

MASSACHUSETTS

200 Newbury Street, Boston (eight local offices).
90 Tremont Street, Boston (blind).

MICHIGAN

900 Bauch Building, Lansing (10 local offices).
Fourth floor, Cass Building, Lansing (blind, four local offices).

MINNESOTA

301 State Office Building, St. Paul (14 local offices).
117 University Avenue, St. Paul (blind).

MISSISSIPPI

316 Woolfolk State Office Building, Jackson (13 local offices).
614 State Office Building, Box 1669, Jackson (blind, seven local offices).

MISSOURI

Seventh floor, Jefferson Building, Jefferson City (eight local offices).
State Office Building, Jefferson City (blind, two local offices).

MONTANA

508 Power Block, Helena (two local offices).
10th and Ewing Streets, Helena (blind).

NEBRASKA

State Capitol Building, Lincoln (six local offices).
State Capitol Building, Lincoln (blind, two local offices).

NEVADA

103 Capitol Building Annex, Carson City (one local office).

NEW HAMPSHIRE

State House Annex, Concord.
State House Annex, Concord (blind).

NEW JERSEY

38–40 South Clinton Avenue, P. O. Box 845, Trenton (11 local offices).
1100 Raymond Boulevard, Newark (one local office, blind).

NEW MEXICO

119 South Castillo, P. O. Box 881, Santa Fe (three local offices).
Box 1391, Santa Fe (blind).

NEW YORK

42 North Pearl Street, Albany (11 local offices).
112 State Street, Albany (blind, six local offices).

NORTH CAROLINA

Department of Public Instruction, Raleigh (11 local offices).
Mansion Park Building, Box 2658, Raleigh (blind, seven local offices).

NORTH DAKOTA

University Station, Grand Forks (three local offices).

OHIO

79 East State Street, Room 309, Columbus (10 local offices).
85 South Washington Avenue, Columbus (blind, eight local offices).

OKLAHOMA

1212 North Hudson, Oklahoma City (11 local offices).

OREGON

509 State Office Building, Salem (five local offices).
645 SE. Ankeny Street, Portland (blind).

PENNSYLVANIA

Labor and Industry Building, Seventh and Forster Streets, Harrisburg (10 local offices).
Health and Welfare Bldg., Seventh and Forster Streets, Harrisburg (blind, six local offices).

PUERTO RICO

Zequeria Building, Stop 34½, Hato Rey (nine local offices).

RHODE ISLAND

205 Benefit Street, Providence (one local office).
24 Exchange Place, Room 726, Providence (blind).

SOUTH CAROLINA

Room 217, 1015 Main Street, Columbia (15 local offices).
State Department of Public Welfare, Columbia (blind).

SOUTH DAKOTA

State Capitol Building, Pierre (three local offices).
Service to the Blind, Pierre (blind).

TENNESSEE

1717 West End, Room 615, Nashville (10 local offices).
204 State Office Building, Nashville (blind, six local offices).

TEXAS

104 Land Office Building, Austin (26 local offices).
1306 San Jacinto, Austin (blind, five local offices).

UTAH

Room 401, Atlas Building, 36 West Second Street, Salt Lake City (three local offices).

VERMONT

16 Langdon Street, Montpelier (three local offices).
128 State Street, Montpelier (blind).

VIRGINIA

State Department of Education, Richmond (14 local offices).
3003 Parkwood Avenue, Richmond (blind).

VIRGIN ISLANDS

Department of Education, St. Thomas.

WASHINGTON

Old Capitol Building, Room 102, Olympia (15 local offices).
P. O. Box 1162, Olympia (blind, four local offices).

WEST VIRGINIA

Room 673, State Capitol Building, Charleston (18 local offices).

WISCONSIN

14 North Carroll Street, Madison (10 local offices).
311 State Street, Madison (blind, five local offices).

WYOMING

123 State Capitol Building, Cheyenne (three local offices).

UNITED STEELWORKERS OF AMERICA

PITTSBURGH, PENNSYLVANIA

DAVID J. McDONALD, President I. W. ABEL, Secretary-Treasurer
HOWARD R. HAGUE, Vice-President
ARTHUR J. GOLDBERG, General Counsel

WISCONSIN WORKMEN'S COMPENSATION DIGEST

EMPLOYEE INCLUDES:

All persons working regularly in private industry, having 3 or more employees. Employers of less than 3, farmers and employers of domestic servants, may elect to come under Workmen's Compensation Coverage. Also includes all persons employed by the state, its subdivisions and school districts. Further includes police and firemen when not otherwise provided for.

NOTICE OF INJURY AND LIMITATIONS FOR FILING CLAIMS

No claim for compensation shall be maintained unless, within 30 days after occurrence of injury or within 30 days after employee knew or ought to have known nature of his disability and its relation to his employment, actual notice was received by employer or by an officer, manager or designated representative of employer. If no representative has been designated by posters placed in one or more conspicuous places, then notice received by any superior shall be sufficient. Absence of notice shall not bar recovery if it is found that employer was not misled thereby. Regardless of whether notice was received, if no payment of compensation (other than medical treatment or burial expense) is made, and no application filed with the Commission within 2 years from date of injury or death, or from date employee or his dependent knew or ought to have known nature of the disability and its relation to the employment, the right to compensation therefor shall be barred, except that the right to compensation shall not be barred if employer knew or should have known, within the 2 year period, that employee had sustained the injury on which claim is based.

The limitations for occupational diseases arising out of employment are the same as for other injuries.

COMPENSATION — TEMPORARY DISABILITY

In case of temporary disability, aggregate indemnity shall not exceed amount payable in case of permanent total disability. Maximum $54.00 per week.

COMPENSATION — PARTIAL PERMANENT DISABILITY

For permanent partial disability, aggregate number of weeks of indemnity shall bear such relation to number of weeks set out below in paragraphs (a) and (b) as nature of injury bears to one causing permanent total disability and shall be payable at rate of 70% of average weekly earnings of employee. Maximum $40.00 per week. Such weekly indemnity shall be in addition to compensation for healing period and shall be for period that he may live, not to exceed, however, these named limitations:

(a) One thousand weeks for all persons 50 years of age, or less.

(b) For each successive year age group, beginning with 51 years, maximum limitation shall be reduced by 2½% per year, until minimum limit of 500 weeks shall be reached

COMPENSATION — PERMANENT TOTAL DISABILITY

In case of permanent total disability, aggregate indemnity shall be weekly indemnity for period he may live. Maximum $54.00 per week, minimum $8.75. Total blindness of both eyes, or loss of both arms at or near shoulder, or of both legs at or near hip, or of one arm at shoulder and one leg at hip, shall constitute permanent total disability. This enumeration shall not be exclusive but in other cases the Commission shall find the facts.

PERMANENT PARTIAL DISABILITY SCHEDULE

In cases included in following schedule of permanent partial disabilities indemnity shall be paid for the healing period, and in addition thereto, where employee is 50 years of age or less, $40.00 maximum and $8.75 minimum for the following periods:

LOSS OF	WEEKS
1. Arm at shoulder	500
2. Arm at elbow	450
3. Hand	400
4. Palm where thumb remains	275
5. Thumb and metacarpal bone thereof	125
6. Thumb at proximal joint	100
7. Thumb at distal joint	40
8. All fingers on one hand at proximal joints	225
9. Fingers on each hand as follows:	
(a) Index finger and metacarpal bone thereof	60
(b) Index finger at proximal joint	50
(c) Index finger at second joint	30
(d) Index finger at distal joint	12
(e) Middle finger and metacarpal bone thereof	45
(f) Middle finger at proximal joint	35
(g) Middle finger at second joint	20
(h) Middle finger at distal joint	8
(i) Ring finger and metacarpal bone thereof	26
(j) Ring finger at proximal joint	20
(k) Ring finger at second joint	15
(l) Ring finger at distal joint	6
(m) Little finger and metacarpal bone thereof	28
(n) Little finger at proximal joint	22
(o) Little finger at second joint	16
(p) Little finger at distal joint	6
10. Leg at hip joint	500
11. Leg at knee	425
12. Foot at ankle	250
13. Great toe with metatarsal bone thereof	83-1/3
14. Toes on each foot as follows:	
(a) Great toe at proximal joint	25
(b) Great toe at distal joint	12
(c) Second toe with metatarsal bone thereof	25
(d) Second toe at proximal joint	8
(e) Second toe at second joint	6
(f) Second toe at distal joint	4
(g) Third, fourth or little toe with metatarsal bone thereof	20
(h) Third, fourth or little toe at proximal joint	6
(i) Third, fourth or little toe at second or distal joint	4
15. Eye by enucleation or evisceration	275
16. Total impairment of one eye for industrial use	250
17. Total deafness from accident or sudden trauma	333-1/3
18. Total deafness of one ear from accident or sudden trauma	50

In case injury causes more than 1 permanent disability, period for which indemnity shall be payable for each additional equal or lesser disability shall be increased as follows:

a. In impairment of both eyes, by 200%;

b. In disabilities on same hand covered by Paragraph 9 in preceding schedule, by 100% for first equal or lesser disability and by 150% for 2nd and 3rd equal or lesser disabilities;

c. In disabilities on the same foot covered by Paragraph 14 in the preceding schedule, by 20%;

d. In all other cases by 20%;

e. The aggregate result as computed by *a*, and aggregate result for members on same hand or foot as computed by applying *b* and *c*, shall each be taken as a unit for applying *d* as between such units, and as between such units and each other disability.

In cases where injured employee is above 50 years of age when injured, period for which indemnity shall be payable, in addition to healing period, shall be reduced from those specified by 2½% for each year that age of such employee exceeds 50, up to 70 years of age, but not to exceed 50%.

DISFIGUREMENT

If you are so permanently disfigured about face, head, neck, hand or arm as to occasion potential loss of wage, the Commission may allow such sum for compensation as it deems just, not exceeding your average annual earnings.

MEDICAL, HOSPITAL EXPENSES AND SELECTION OF PHYSICIAN

Your employer shall supply such medical, surgical and hospital treatment, medicines, medical and surgical supplies, crutches, artificial members and appliances as may be reasonably required to cure and relieve you from effects of injury not to exceed period for which indemnity is payable.

The employee shall have the right to make choice of his attending physician from a panel of physicians to be named by employer.

Failure of employer to maintain a reasonable number of competent and impartial physicians, ready to undertake treatment of employee, and to permit employee to make choice of his attendant from among them, shall constitute neglect and refusal to furnish such attendance and treatment. The Commission may upon summary hearing permit an injured employee to make selection of a physician not on panel.

OCCUPATIONAL DISEASES

In any disease causing injury arising out of your employment you will receive the same amount of compensation as in accidental injury, except as to silicosis and other dust diseases. Give the same type of notice and file claim in same manner as in accidental injury. If silicosis causes disability or death, you receive same compensation as in accidental injury. However, if you have non-disabling silicosis or a loss of hearing due to prolonged exposure to noise in his employment and you are discharged or transferred by your employer the Commission may find it is inadvisable for you to continue in his employ and may order such compensation on account thereof as it may deem just not exceeding $3500.00. If after discharge you become disabled not because of additional exposure but due to exposure in employer's service, any amount which shall have been paid shall be credited against compensation found to be payable by such employer for disability caused by silicosis but shall not operate to reduce number of weeks provided under law for disability. Total occupational deafness: one ear, 36 weeks; both ears, 216 weeks.

COMPUTATION AT DEATH

Where death proximately results from injury and you leave a person wholly dependent upon you for support, death benefit shall equal 4 times your average annual earnings, but total amount paid as death benefit, shall not exceed 1000 weeks for any person 50 years of age or less. For each yearly group beginning with 51, maximum limitation is reduced by 2½% per year until minimum limit of 500 weeks shall be reached. Maximum death benefit $15,428.00. Maximum weekly benefit $54.00.

Each child by their marriage living at time of death of employee and who is wholly dependent upon him for support, such additional benefits shall be computed from date of death of employee as follows:

For child 1 year of age or under, a sum equal to average annual earnings of deceased employee; for children in each successive yearly age group, amount allowed shall be reduced by 1/18th part of such average annual earnings, with an allowance for any child up to 18 years of age at death of employee unless such child be physically or mentally incapacitated from earning, in which case the Commission shall make such allowance as the equities and necessities of case merit, not more however than amount payable on account of a child under 1 year of age.

If there is more than 1 person wholly or partially dependent, death benefit shall be divided between such proportion as the Commission shall determine to be just considering their ages and other facts bearing on such dependency.

If there are no total dependents, partial dependent receives compensation equal to same proportion of your weekly payments for the benefit of persons wholly de-

pendent as amount contributed by you to such partial dependent bears to your annual earnings at time of accident.

Unestranged parents residing in any of the territorial possessions of the United States are included as eligible for death benefits.

Death benefit payments are paid in weekly installments corresponding in amount to 50% of weekly earnings of employee until otherwise ordered by the Commission.

BURIAL ALLOWANCE

Your employer must pay funeral expenses, not to exceed $350.00, where death proximately results from injury. It is also provided where death results from causes other than the injury in a case of permanent total disability.

HERNIA

In hernia promptly report it to your employer as soon as you notice it, regardless of whether or not you are immediately disabled.

LUMP SUM PAYMENTS

Any time after 6 months from date of injury, the Commission may order payment in gross or in such manner as it may determine to the best interest of injured employee or his dependents. When payment in gross is ordered, the Commission shall fix gross amount to be paid based on present worth of partial payments, considering interest of 3% per annum. No lump sum settlement shall be allowed in any case of permanent total disability upon an estimated life expectancy, except upon consent of all parties, after hearing and finding by the Commission that the interest of injured employee will be conserved thereby.

COMPUTATION OF WAGES

Average weekly earnings for temporary disability shall be taken at not less than $12.50 nor more than $77.14 and for permanent disability or death shall be taken at not less than $20.00 nor more than $77.14, and for permanent partial disability at not less than $20.00 nor more than $52.86. Between these limits average weekly earnings shall be determined as follows:

Average weekly earnings shall be arrived at by multiplying daily earnings by number of days and fractional days normally worked per week at time of injury in the business operation of employer for particular employment in which employee was employed at time of this injury.

MINORS — ILLEGAL EMPLOYMENT

An employee under 18 years of age, illegally employed shall receive:

a. If permitted to work without a permit, double amount otherwise recoverable; not to exceed $5000.00.
b. If permitted to work without a permit at any employment in which the Commission has specified that no permit shall be issued, 3 times amount otherwise recoverable; not to exceed $7500.00.
c. If permitted to work at any prohibited employment, 3 times amount otherwise recoverable; not to exceed $7500.00.
d. If minor is under permit age and illegally employed, 3 times amount recoverable; not to exceed $7500.00.
e. Double or treble compensation shall not be payable unless employer sought to be charged knew or should have known that the minor was illegally employed by the contractor or sub-contractor.

HEARINGS IN DISPUTED CASES

Upon claim filed, hearing is had before an Examiner. From decision of Examiner an appeal can be filed with Commission. From decision of Commission an appeal can be taken to Circuit Court of Dane County, and from thence to Supreme Court of Wisconsin.

FINAL RECEIPT

A Final Receipt is an agreement between you and your employer that you have received your compensation in full. Do not sign a final receipt if you are still partially disabled. Be sure and procure a copy of final receipt, if you sign it.

For Complete Details Consult Your Compensation Committee or Attorney

The physically IMPAIRED

can be INSURED without penalty

IMPAIRED, EMPLOY

A Statement Concerning Your Casualty Insurance Program and the Physically Handicapped Worker

LET THIS BE UNDERSTOOD—there is no provision in workmen's compensation insurance policies or rates that penalizes an employer for hiring handicapped workers.

There appears to be much misinformation on this point. For many employers have been known to say they could not or would not hire disabled applicants because they had been advised that their insurance costs would be increased as a result. Nothing could be farther from the truth. Employers who have such ideas have simply been hoodwinked by scuttlebutt rumors that are easily circulated because of their sensationalism. It is much more difficult to gain acceptance of the cold, stark truth —because its honesty affords no opportunity for gossip.

Therefore, to erase any misunderstanding, these are the facts. Workmen's compensation insurance rates are determined by two factors. These are the relative hazards in a company's work and its accident experience. The formulae for determining premium rates do not take

ED – INSURED!

into consideration the kind of personnel hired. The insurance contract says nothing implied or direct about the physical condition of the workers an insured may hire.

It is true that a poor accident experience—that is, a relatively high number or cost of claims over a period of time—will cause an increase in an employer's compensation insurance rates. It is equally true that *if* a disabled worker would be more apt to have accidents and consequently suffer greater disability, as some people once believed, then an employer's insurance costs might eventually go up. ***But***, and this should not be forgotten, research studies conducted by governmental agencies; the Accident Prevention Department of the Association of Casualty and Surety Companies and the New York University Center for Safety Education which it endows, have shown that when placed at the proper jobs the handicapped have an accident experience that is as good as that of their able-bodied fellow workers—and is often superior. So then, this possibility for an increase in a employer's com-

— at the proper jobs
have an accident exp
or better than the ab

pensation insurance costs is nullified. In order to assist each industry to achieve proper placement and supervision of the handicapped and so to be of service to both employers and the physically impaired, the casualty insurance companies have prepared two booklets, "The Physically Impaired—A Guidebook to Their Employment", and "Supervising the Physically Impaired", which are free to anyone who requests them from his stock insurance carrier.

In addition, these studies have shown that the properly placed disabled are more reliable workers with an equal or better production record.

All this sums up to an important conclusion. As long as misinformation and untruths concerning the employability of the handicapped are permitted to be circulated, the chance for these workers to prove they can produce successfully will be denied them. But now you know that the frequently voiced objections to their employment—that is, insurance companies forbid it or insurance costs will rise—are unfair, false and illogical.

bs the handicapped
xperience as good
able-bodied worker.

The casualty insurance industry refuses to be accused of blocking the employment of the handicapped not only because such an accusation is unjustified, but also because it is even more harmful to the physically impaired than to the insurance companies.

Published by

Association of Casualty and Surety Companies
60 John Street, New York 38, N. Y.

in cooperation with
The President's Committee on Employment of the Physically Handicapped

This publication is one of many made available as a safety service to policyholders of the more than one hundred and twenty-five member capital stock insurance companies of the Association of Casualty and Surety Companies. These companies have for many years provided planned accident prevention programs for their insureds and were among the first with programs aimed at helping the public as a whole to a safer way of life.

For any assistance with your insurance problems—and for complete insurance protection—contact your local agent or capital stock insurance company. For further information, write directly to the Association of Casualty and Surety Companies.

Twelfth Printing — October, 1959

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PRINTED IN U.S.A.

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Bulletin No. 212

State Workmen's Compensation Laws a Comparison of Major Provisions With Recommended Standards

UNITED STATES DEPARTMENT OF LABOR
James P. Mitchell, Secretary

BUREAU OF LABOR STANDARDS
Arthur W. Motley, Director

Emory F. Vie

INDUSTRIAL COMMISSION
OF WISCONSIN

FACTS ABOUT THE WISCONSIN WORKMEN'S COMPENSATION LAW

WITH 1959 AMENDMENTS

INDUSTRIAL COMMISSION OF WISCONSIN

MATHIAS F. SCHIMENZ
Chairman

R. G. KNUTSON
Commissioner

JOHN H. ROUSE
Commissioner

HELEN E. GILL
Secretary

RALPH E. GINTZ
Director of Workmen's Compensation

FACTS ABOUT THE WISCONSIN WORKMEN'S COMPENSATION LAW

1. Q: What is the Wisconsin Workmen's Compensation Act?
   A: It is the law which provides for medical and money benefits to employes injured by reason of their work, and for death benefits to their dependents.

2. Q: By whom is the act administered?
   A: By the Industrial Commission, Madison, Wisconsin.

INJURIES COVERED

3. Q: What injuries are covered?
   A: Mental and physical harm of all kinds, whether due to accident or disease, and also *accidental* damage to, or destruction of artificial members, dental appliances, and teeth, also eye glasses provided they are damaged in an accident which causes some personal injury, although slight.

4. Q: Are all occupational diseases covered?
   A: Yes, all diseases due to employment, such as silicosis, lead poisoning, hernia, dermatitis, and loss of hearing caused by exposure over a period of time to conditions which result in injury.

CONDITIONS OF LIABILITY

5. Q: What must an employe show to entitle him to benefits?

A: That he and his employer were subject to the compensation act; that he was injured while performing service for his employer; that the injury was not intentionally self-inflicted; and that his injury was caused by his work.

6. Q: Is an employe who is injured while merely going to or from work entitled to benefits?

A: Yes, but only if he is on the premises of his employer at the time, or on premises where his service is to be performed. If he is actually performing service for his employer, or is being transported by the employer when injured, and is hurt because of a hazard of service, he will be entitled to benefits whether or not he is on the employer's premises when hurt. An employe whose employment requires him to travel is deemed to be performing service at all times while on a trip, except as he steps aside to do some personal act. He is covered while traveling in trains, cabs, or while in eating places, hotels and other places of sojourn, provided he has not deviated for a private or personal purpose. Actions reasonably necessary for living, such as eating, bathing, etc., are not to be regarded as such deviation.

7. Q: What employers are subject to the act?

A: (1) All employers, except farmers, who have *at any time*, even momentarily, employed three or more persons in the course of a trade, business, profession or occupation and

have not elected not to be subject to the act; (2) all employers, except farmers, who usually employ three or more persons in the course of a trade, business, profession or occupation are compulsorily subject and may not withdraw; (3) all municipal divisions, such as the state, county, city, village and school district, regardless of the number of employes. Farmers and employers of domestic servants and other persons not employed in the business or trade of the employer are not subject but the employer may voluntarily become subject by election or by taking a policy of workmen's compensation insurance.

8. Q: Suppose the employer has two employes in one business and one in another, or two employes in one city and one in another?

A: The employer becomes subject to the act when he has three employes, whether in one or more businesses or locations.

9. Q: If an employer withdraws from the act, what is his liability in case of injury to an employe?

A: He may be sued in court, and upon a showing of negligence may be held liable for such damages as are determined by the court and jury.

10. Q: If an employer is subject to the act, may an employe sue in court for injury if he prefers?

A: No; when parties are subject to the act it is the only remedy between them for personal injury arising out of employment.

11. Q: What advantage is there in an employer electing to become subject to the compensation act?

A: He cannot be sued at common law for damages; he becomes liable for definite benefits and may insure his risk.

12. Q: If an employe works for a contractor who is not subject to the act, or who has no insurance, may the employe hold liable the principal employer for whom the contractor performs service?

A: Yes, provided the principal employer is subject to the act. He could not, for example, hold a farmer as principal employer unless the farmer had become subject to the act, nor could he hold a principal employer who had never employed more than two persons and had not become subject to the act.

EMPLOYES COVERED

13. Q: Who are employes subject to the act?

A: Those who work for anything of value but not persons who are working with no intention that payment shall be made for services.

14. Q: May minors receive compensation?

A: Yes. Minors under the act are competent to contract and receive compensation benefits, as are adults.

15. Q: May employes waive their benefits, that is, agree that in case of injury no benefits will be claimed?

A: No, except epileptics and those totally blind, and those only if they have given notice to the commission and the employer in advance, and

then only for such injuries as are caused by epilepsy or blindness. Any other agreement to waive benefits is illegal and absolutely void and of no effect.

WAGE BASIS

16. Q: On what basis is money compensation paid?

A: On the wage earned by the employe at the time of injury.

17. Q: What is the wage basis for compensation?

A: The normal full time wage at the time of injury in the employment in which the employe works at that time. Wage earned beyond normal full time hours is counted only if the employe has worked within six calendar weeks or more for the employer in whose employ he is injured, and then only if the average weekly wage earned is higher than the normal full time wage. For example, if the normal full time weekly wage is $20, but over a six week period the employe has put in overtime and earned $180, his actual average weekly wage is $30, and compensation is based on such wage. If, however, during the six week period the employe has lost a good deal of time and has earned only $120, or less, his wage will be $20 per week, based on normal full time.

18. Q: How is the wage of a part time worker fixed?

A: On the wage of a normal full time worker. If, for example, a part time worker performs service for one hour per day, and normal full time workers in the same type of employment work eight hours per

day, the part time worker's wage is to be taken on the basis of an eight hour day.

19. Q: What is the minimum weekly wage for compensation purposes?

A: Minimum weekly wage is $12.50 and minimum weekly compensation 70 per cent of that wage, or $8.75. Minimum compensation is payable no matter how small a wage the employe may earn. Minimum weekly wage is always at least 30 times the hourly rate if such wage amounts to more than $12.50 per week. Minimum weekly wage for permanent disability is $20, with weekly compensation 70 per cent of that wage, or $14.

20. Q: What is the maximum weekly wage?

A: Maximum wage is $77.14, and maximum compensation is $54.00 for temporary, permanent total, and death. For permanent partial disability maximum wage is $57.14, and maximum compensation is $40. No matter how high the wage, no employe can receive more than these amounts except as increased compensation because of violation of a safety order, or because illegal hiring of a minor may produce a higher amount.

21. Q: Are tips counted in determining wage?

A: All things of value, as board and room, tips, bonuses agreed upon, etc., are counted when they are part of the consideration for work.

22. Q: Must notice of injury be given to the employer in order to obtain compensation?

A: Notice must be given within 30 days from the date of injury, or the right to compensation may be barred. In-

jury should be reported immediately, or as soon as possible to the foreman or other designated person to avoid doubt being thrown on a later claim, and also so that medical treatment may be promptly given.

23. Q: Suppose notice is not given within 30 days?

A: Claim may still be established if the employer was not misled by failure to give notice. If the employer can show he was misled benefits will not be payable.

FILING OF CLAIMS

24. Q: How soon must claim be made where no compensation has been paid?

A: Application for adjustment of claim must be filed with the Industrial Commission within two years from the date of injury unless compensation has been paid, when the application may be made within six years from the date of the last payment of compensation. The time for filing application may be extended to six years if it can be shown that the *employer* knew or ought to have known within the two year period that the employe had sustained an injury even without actual resulting disability at the time.

25. Q: Suppose the employe does not learn within two years that an occupational disease was caused by his work?

A: The time is then extended for two years from the time he knew or should have known of the connection between his disease and his work, but is not extended beyond six years from the last day of work before his disability commences.

26. Q: When claim for compensation is made, has the employer a right to have physical examination of an employe made by a doctor?

A: Yes, in order to learn the extent and character of the employe's disability, so that he may know whether or not to pay compensation. If the employe fails to submit to reasonable examination as requested from time to time, his compensation may be suspended. Applicant may have his own doctor present at the time of examination if he wishes. If the examination is considered unreasonable, the matter may be submitted to the commission for decision. The employe is entitled to compensation for time lost and to his traveling expense, if any, in submitting to examination.

27. Q: Suppose a dispute arises as to liability and the parties wish to settle on a basis agreeable to them?

A: They may do so, but always subject to the commission's approval. If the commission does not approve settlement, it has no effect, and further claim may be made. All compromise agreements are subject to review by the Industrial Commission within one year.

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WHO BEARS COST?

28. Q: May an employer charge the employe for the cost of compensation insurance or benefits?

A: No; the law makes that illegal and provides penalties.

29. Q: Should an employe sign receipt for compensation?

A: Yes, but the signing of receipt does not prevent him from claiming and

recovering additional compensation even though the receipt may state that the amount paid is in final settlement.

HEARING PROCEDURE

30. Q: In case of dispute what may the employe do to obtain compensation?

A: He may file his application for adjustment of claim with the Industrial Commission, Madison, Wisconsin. Blank forms are supplied by the commission upon request. After application is filed, hearing is set as soon as possible at a selected center, as close to applicant's residence as possible, upon notice given at least 10 days in advance to all interested parties.

31. Q: Must the applicant be represented at hearing by attorney?

A: No; the law provides he may appear in person, by agent or by attorney.

32. Q: If an employe is not represented by attorney, who assists him in bringing out the facts?

A: The commission's examiner who conducts the hearing will ask questions of all witnesses present at the hearing.

33. Q: Is there any limitation as to attorney's fee?

A: The law allows an attorney to charge up to 20% of the amount recovered, unless there is no dispute and no need for hearing, when the fee charged cannot exceed 10% and not more than $100 in any case.

34. Q: Who must pay the attorney's fee?

A: The person making claim must pay the fee from the compensation which is awarded. It is well to have a clear understanding in advance with the

attorney as to the fee to be charged.

35. Q: May a union representative represent an employe at hearing?

A: Yes; any person, upon proper showing, may obtain permission from the examiner to represent a claimant.

36. Q: Must the applicant have witnesses at hearings?

A: Witnesses are not needed as to points not in dispute. As to points in dispute appearance of witnesses should be arranged. Each party must bear the expense of producing his own witnesses. If there is question as to what witnesses are needed, and no lawyer is retained, the commission may be consulted at the time of filing application, or as long as possible before hearing.

37. Q: Are doctors' reports admissible as evidence for the employe?

A: Yes, of doctors licensed and practicing in Wisconsin and of doctors outside Wisconsin to whom the claimant had been sent for examination or treatment by the employer or insurance company. These must be notarized and filed with the commission at least 15 days before the time of hearing. If possible, they should be presented at the time application is filed. Forms are supplied by the commission for this purpose.

38. Q: Who conducts hearings and decides cases?

A: Examiners of the Industrial Commission.

APPEALS

39. Q: May there be appeal from the examiner's findings?

A: Yes, to the Industrial Commission as a body. This must be done within

20 days from the date of the order made by the examiner after hearing. If petition for review is not filed within 20 days from that date, the commission and the court loses jurisdiction.

40. Q: What further appeals are possible, after appeal to the commission?

A: One to the Circuit Court of Dane County within 30 days from the order of the commission as a body, and to the Supreme Court within 30 days from the judgment of the Circuit Court.

EXEMPTION FROM DEBT

41. Q: May compensation be assigned?

A: No; neither can it be taken for debt, either by garnishee action or otherwise. It is not necessary to report compensation payments for income tax purposes, as income tax is not charged on workmen's compensation benefits.

LIABILITY FOR COMPENSATION

42. Q: Who pays compensation?

A: Most employers carry insurance so that the insurance company pays benefits. Some employers are "self-insurers" and pay compensation directly. In either case, the employer is primarily responsible for payment.

43. Q: Are employers required to insure their compensation liability?

A: All employers subject to the act are required to insure unless excused by the Industrial Commission on a showing of financial ability to pay claims. Only a small number of employers are "self-insurers." Failure of employers to insure unless excused calls for heavy penalties.

44. Q: If a person is hurt by negligence of a "third party" may he take compensation and also sue the third party?

A: Yes. He will then receive his full compensation benefits and also one-third of the net amount recovered from the third party. All costs of collection, including attorney's fees, are taken out before division of proceeds is made. The insurance company or employer is then repaid the amount paid or to be paid as compensation, and if any balance remains that also is paid to the employe. Action against a third party is usually by joint action of the employer or his insurance carrier and the injured employe.

MEDICAL BENEFITS

45. Q: What are the benefits under the act?

A: (1) Medical treatment; (2) compensation for lost time, wage and disability; (3) death benefit; (4) maintenance during rehabilitation training.

46. Q: What medical benefits are provided?

A: Every sort of medical or hospital treatment **reasonably necessary.** Treatment by a doctor of osteopathy or a chiropodist (foot doctor is included. Treatment by a masseur or physical therapist is included when prescribed by a regularly qualified physician. Artifiicial limbs and appliances of all kinds when needed are also to be provided but are not required to be replaced. Employes are entitled to compensation for lost time and for necessary traveling expense when submitting to treatment.

46a. Q: Is treatment by a chiropractor provided?

A: There is no liability for chiropractic treatment unless such is prescribed by a regularly qualified physician.

46b. Q: Is Christian Science treatment provided?

A: Christian Science treatment may be provided in lieu of medical treatment unless the employer has filed notice with the commission not to provide such treatment.

47. Q: Is there any limit as to time or amount of medical and hospital benefits?

A: Absolutely none, except treatment must be reasonably necessary and the expense must be reasonable.

48. Q: Who supplies the physician?

A: The employer or insurance company must give the employe his choice from a reasonable number of doctors to be listed on a panel. The employe is also entitled to a second choice of physician if he is dissatisfied with the first physician chosen. The commission may, in addition, permit choice of some other doctor upon proper showing.

49. Q: What is a "reasonable number" of physicians?

A: That is to be determined by the commission in each case. Most employers list a very wide choice. If the employe believes the employer does not list an adequate number, or that proper treatment is not being given, he should take the matter up with the commission.

50. Q: Must the employe give notice to the employer that he needs treatment?

A: Yes; otherwise he must bear the expense himself, except that in case of emergency the employer becomes

liable for the reasonable value of necessary treatment before the time that it is possible to give notice. In case of occupational disease he may recover the reasonable expense of treatment incurred before he knew that his work caused his condition, even though notice is not given.

51. Q: Need artificial members, when worn out, be replaced?

A: No; only one suitable member is required to be supplied. If the member supplied is not suitable, a suitable one must be supplied.

52. Q: Suppose the employe refuses medical treatment?

A: If he refuses reasonable treatment he will lose his rights to compensation so far as his refusal results in greater disability.

PAYMENT AND BASIS OF COMPENSATION

53. Q: When does compensation commence?

A: On the 11th day after the date of injury. There is no compensation for the first three days following the day of first disability except as hereafter noted. For example, an employe who is injured and leaves work on the first day of the month is entitled to compensation only for such disability as results on and after the fifth day of the month. The first payment is due on the eleventh day for such disability as has then resulted, and weekly thereafter during disability. If there is disability following the tenth day after the day of first disability, compensation is also payable for the first three days. If compensation is not received within two weeks after injury, the employe should inform the commission.

54. Q: Are Sundays counted in the first three days?

A: No, unless the employe works on Sundays. Sundays are, however, counted in the running of the ten day period.

55. Q: What money payments of compensation are to be made?

A: Seventy per cent of weekly wage during total disability but not more than $54.00 for temporary disability, permanent total disability, and death, and $40 for permanent partial disability, nor less than $8.75 in any case of temporary total disability, nor $14.00 in case of permanent partial disability or death.

56. Q: Suppose an employe earns $100 per week?

A: No matter how large his wage, the highest compensation payable is $54.00 per week, as stated in previous answer.

57. Q: Suppose there is disability which causes only partial wage loss?

A: Proportionate compensation is then paid; for half wage loss half of compensation payable for total disability is to be paid. If total disability calls for $54 compensation half wage loss calls for $27.

58. Q: Is compensation payable for all days lost?

A: For each day except Sunday one-sixth of weekly compensation is payable. That is true whether the employe works on Sundays or more or less than six days per week.

59. Q: Suppose disability prevents a man from ever earning again?

A: He receives compensation for the rest of his life.

60. Q: Suppose disability will always remain to the head or body but some work can be done?

A: Compensation is then paid for a limited number of weeks, dependent on age, but never for more than 1000 weeks in addition to the "healing period". To illustrate, if 50% disability results to one 50 years of age or under, compensation is payable for 500 weeks, if 25% disability, to 250 weeks, etc. In cases of persons over 50 years of age, the basic number of weeks for permanent partial disability to the head or body decreases by 2½% each year until age 70, at which age there is no further reduction.

REHIRING OF EMPLOYE

61. Q. Is an employer required to rehire an employe injured in the course of employment?

A: Yes, unless the employer can show reasonable cause for failure to do so.

DEATH BENEFITS

62. Q: Who is entitled to receive death benefits?

A: Only persons named in the compensation act, including husband, wife, children 18 or under, grandchildren, parents, brothers and sisters, and members of family.

63. Q: How much death benefit can be paid?

A: The largest payment (in case of total dependency) is $15,428, and the smallest $4000.

64. Q: Suppose a person is receiving compensation for permanent disability and then dies from some cause other than injury?

A: Of the balance remaining unpaid, up to $350 is applied on burial expense. The remainder becomes pay-

able to dependents not, however, in a sum greater than such dependents would have received if death had resulted from injury.

65. Q: What may parents receive as death benefit?

A: If they were on friendly terms with the son or daughter, $2,000 is paid as death benefit. However, if parents are totally dependent they may receive as much as $4000 to $15,428 varying with the wage of the employe.

66. Q: What may other dependents receive?

A: They may receive the amount which they might have expected to receive from the employe as contribution to support but not more than $15,428 in any case.

67. Q: In addition to death benefit is burial expense payable?

A: Yes, but not more than $350.

68. Q: What is the provision for additional payments to children of a widow who herself is to receive benefits?

A: Children 16 or under living with the employe at the time of injury may receive benefits from a state fund created for that purpose. The amount varies with age up to a total of $4,114 for one child, and is payable at the rate of 13 per cent for each child of the weekly amount paid to the widow or widower.

METHOD OF PAYMENT

69. Q: Are benefits payable in installments or in one sum?

A: The purpose of compensation payments is to replace wage loss as and

when it occurs. All compensation, including death benefit, is to be paid in installments as are wages unless a showing is made to the commission that interests of the employe or dependent will be conserved by more rapid or lump sum payments.

70. Q: Do employes or dependents lose compensation if they receive a lump sum payment?

A: As payments are normally due only in installments, 3% compound interest is charged when payments are made more rapidly or in one sum.

SCHEDULES OF BENEFITS

71. Q: In case of loss of a member such as a hand, arm, leg, foot, eye, etc., how is compensation paid?

A: Schedules in the act provide payment for a certain number of weeks for loss by amputation, as of toes, arms, feet, etc., and for loss of vision or hearing. Loss of an arm at the shoulder, for example, calls for payment to a person aged fifty or under of 500 weeks' compensation in addition to compensation for healing period. Loss of vision of one eye calls for 250 weeks' compensation; loss of hand at the wrist 400 weeks; loss of foot at the ankle 250 weeks; loss of thumb at the proximal joint 100 weeks, etc.

72. Q: Does it make a difference whether the right or left member is lost?

A: No, the amount is the same in either case.

73. Q: Does age make a difference?

A: There are reductions of 2½% for each year after age 50 in the number of weeks allowed. For example, one aged 60 when injured will have

compensation reduced by 25% in the number of weeks allowed with no further reduction after age 70.

74. Q: In case of loss of members is healing period paid in addition to the number of weeks allowed by schedule?

A: Yes, in all cases compensation is paid for the actual necessary healing period, based on necessary wage loss during temporary disability up to the time the condition has become stationary and permanent disability can be fixed.

75. Q: Suppose there is not loss by amputation but stiffness or other disability?

A: A proportionate number of weeks is then payable. If, for example, the loss of use is one-half of the arm, 250 weeks would be paid instead of 500.

76. Q: Where more than one member, such as finger, arm, hand, leg, etc., is affected is there special provision?

A: Yes, additional amounts are allowed for multiple injuries.

DISFIGUREMENT BENEFITS

77. Q: Suppose disfigurement results?

A: Additional compensation up to $3,857 may be paid for disfigurement of the face, head, neck, hand or arm. It must be shown, however, that the disability is such as probably will cause wage loss—this because the employe is unable to obtain work or must accept a lower wage because of disfigurement.

INCREASED AND DECREASED COMPENSATION

78. Q: Suppose it can be shown that the employer or employe was negligent?

A: Negligence makes no difference as to payment of compensation except as there may be violation of a safety order.

79. Q: May compensation be increased for any reason?

A: Yes. The law requires the employer to furnish a safe place to work and to comply with orders of the Industrial Commission as to safety. If injury is caused by reason of a violation by the employer of the "safe place" statute, or of a safety order, or because of failure of an employer reasonably to enforce compliance by employes with a statute or order, 15% increased compensation becomes payable to the employe or his dependents.

80. Q: May compensation be decreased for any reason?

A: Yes, if the employe *wilfully* fails to follow rules for his safety or to use safety devices which the law requires, adequately maintained and the use of which is enforced compensation may be decreased 15%. If injury occurs because of intoxication, compensation is also decreased 15%.

81. Q: What about illegal employment of minors?

A: If an employer is required to have a permit to hire a minor and no permit is obtained, the employe will receive double compensation for his injury. If he is employed at prohibited employment (whether or not he has a permit), he will receive

treble compensation. Under provision of the Child Labor law, certain employments have been prohibited to minors of certain ages.

82. Q: Who pays such increased compensation?

A: It must be paid by the employer himself and not by the insurance company, except if the employer is shown to be insolvent.

PRE-EXISTING DISABILITY

83. Q: Suppose an employe already has disability and injury causes additional disability?

A: If disabilities are sufficiently serious, that is, if such as to call for payment of at least 250 weeks of compensation for each disability, he may receive additional payments from a fund set up in the state treasury for that purpose. The employer thus pays only for the disability caused by his work, and the fund pays additional compensation.

REHABILITATION BENEFITS

84. Q: What about rehabilitation benefits?

A: If the employe has a type of injury which makes it difficult or impossible for him to do work previously performed, he may, during a period not exceeding 40 weeks, receive expenses of travel and costs of maintenance, provided rehabilitation instructions are received elsewhere than at the place of his residence. During the period of rehabilitation compensation is continued on the basis of wage loss.

85. Q: Is there provision for training in the use of artificial limbs?

A: Yes, during such period applicant will continue to receive compensation and is entitled to all training and expenses necessary to attain efficient use of artificial members and appliances.

REPORT OF INJURY BY EMPLOYE

86. Q: What should an employe do when he suffers injury?

A: He should report at once to his employer directly, or through a foreman or designated person; he should submit promptly to all necessary first aid and medical treatment; he should submit to medical examination by the employer's doctor from time to time as requested; if compensation is not promptly paid, he should notify the Industrial Commission.

Many slight injuries produce serious results because first aid or medical treatment is not immediately procured. Many claims are hard to prove because immediate notice of injury was not given to the employer.

HOW TO OBTAIN INFORMATION

87. Q: If an employe has doubt as to his rights or duties, what should he do?

A: He should promptly submit his question to the Workmen's Compensation Division, Industrial Commission, Madison, Wisconsin, or if at Milwaukee he may consult the commission's examiner at 794 North Jefferson Street.

ILLINOIS WORKMEN'S COMPENSATION ACT
1957 AND 1959 AMENDMENTS

Following are most of the Illinois Workmen's Compensation Act amendments which went into effect July 11, 1957, and July 21, 1959. Most of the revisions increase benefits under the Act, and the changes below are listed under the subject headings to which they apply. The page numbers refer to the pages in the ILIR BULLETIN where the benefits are described.

1. Fatal Injuries (pages 17-19)

Minimum and maximum death benefits were again increased in 1959.

Compensation for Accidental Injuries Resulting in Death

If 9.25 times average annual wage is --	Widow and no children	Children under 18: 1 child	2 children	3 children	4 or more children
$9,000 or less	$9000	$9950	$10,140	$10,330	$10,330
Over $9000 and less than $12,250	9.25 times average annual wage	9.25 times average annual wage + $950[a]	9.25 times average annual wage + $1140	9.25 times average annual wage + $1330	9.25 times average annual wage + $1330
Over $12,250	$12,250	$12,750	$13,500	$14,500	$15,000
Special provisions					
$12,250-$12,650		$12,650	$13,180	$13,750	
$12,250-$13,180			$13,180	$13,750	
$12,250-$13,750				$13,750	
Over $12,650		$12,750[b]			
Over $13,180		$12,750	$13,500		
Over $13,750		$12,750	$13,500	$14,500	

a This amount may not exceed $12,250. b Maximum amounts.

2. Temporary Total Disability (pages 19-21)

New minimum benefit is $25.50 and new maximum is $45.00, in 1959 amendments.

Weekly Workmen's Compensation Benefits

	Minimum	Maximum
Single, or married with no children	$25.50	$45.00
1 child	34.75	46.00
2 children	37.25	48.00
3 children	38.50	50.00
4 or more children	39.00	51.00

If a worker's temporary total disability lasts for more than 21 (formerly 28) days, he is also paid for the first seven days of his disability. The amendment was made in 1959.

An employer may pay compensation to an injured employee before the worker files his claim, and such payment has sometimes been held as an admission of liability by the employer. A 1959 amendment clarifies this point by stating that payment of compensation is not an admission of liability.

3. Permanent Partial Disability (pages 21-22)

Weekly permanent partial disability payments were reduced in 1957 and now range from 65-80 per cent of the difference between the average weekly wage the employee received before his accident and his average weekly wage after his accident.

Permanent Partial Disability Benefits

Single, or married with no children	65 per cent
1 child	70 per cent
2 children	75 per cent
3 or more children	80 per cent

4. Specific Loss (pages 22-23)

Employers are required to furnish artificial limbs, in cases of amputation, and 1957 amendments require the employer to pay for replacing or refitting such limbs, when necessary, during a period of 30 months after the time when the limb was first fitted. No changes were made in the specific loss schedule.

5. Permanent Total Disability (pages 23-24)

If a worker is disabled by a complete loss by amputation or by a permanent and complete loss of the use of two major members, his annual pension is equal to 15 per cent (formerly 12 per cent) of the amount his dependents would receive as a death benefit. In other, nonspecific, cases, a pension equals 12 per cent (formerly 8 per cent) of the death benefit. The amendment was made in 1957.

6. Special (Second Injury) Fund (pages 19, 24)

In all cases when a fatally injured employee leaves dependents, the employer is required to pay $400 into the State's Special Fund. This amount is in addition to compensation paid to the worker's dependents. If the fatally injured employee leaves no dependents, the employer is required to pay only a maximum of $500 burial expense and nothing into the Special Fund.

In all cases where an employee suffers a complete loss by amputation or a permanent and complete loss of use of an eye, foot, leg, arm, or hand, the employer is required to pay $200 into the Special Fund, in addition to compensation paid to the employee.

In case of a compromise settlement of a claim for accidental injury resulting in death, the payment into the Special Fund shall be the same proportion of $400 as the amount of the compromise settlement bears to the maximum amount payable in a case where the fatally injured employee died leaving only a widow.

Beginning July 1, 1959, the Industrial Commission will examine the Special Fund every six months. When the total amount in the Fund reaches $150,000, employer payments into the Fund will be cut in half. When the total amount reaches $250,000, employer payments will cease. If the amount in the Fund later decreases to $200,000, half-payments will resume, and if it decreases to $150,000, full payments will again be required.

7. Automatic Coverage (pages 7-8)

Four types of enterprises were added to the "extra-hazardous" list in 1957. Coverage is compulsory for the employer in places were liquor is served, beauty shops, restaurants, and plants where atomic radiation is used.

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INDUSTRIAL COMMISSION OF WISCONSIN

Unemployment Compensation Department

Facts about

CLAIMING UNEMPLOYMENT BENEFITS

under Wisconsin's U. C. Law

January 1960

This folder answers the questions commonly asked by an employe when filing his first claim for unemployment benefits.

Another folder, as to how benefits are figured, will be mailed to you later—if and when you become eligible for your first benefit check.

KEEP a RECORD of each benefit CHECK you get.

---

1. Must I register and claim each week?

   Yes. You can't get credit for a week of no wages unless you:

   a. report during that week; and also
   b. after that week is over, turn in your claim form covering that week.

2. How much work is needed to qualify for UC benefits?

   18 weeks of "covered" employment in the 52 weeks before your last lay off.

3. When is the first benefit check due?

A few days after the third weekly claim.

a. The first week is a "waiting period" without benefits.

b. The second week will be paid for, but only after it is over and reported.

c. In the third week, you report about the second week. The check can usually be mailed a few days later.

4. How many benefit weeks can be paid?

Not over 34 from one employer. You need 45 weeks of work (over 10 months) to qualify for the maximum number of checks.

5. How many benefit weeks for less than 45 weeks of work?

Roughly 7/10 of your first 20 work-weeks, plus 8/10 of any additional work-weeks.

6. How much will my weekly benefit rate be?

About half your own average weekly wage. The top weekly rate is $47, until July 1960.

7. Can I draw benefits if I do some work in a week?

Yes, if you earn less than your weekly benefit rate.

8. If I worked for more than one employer, are my benefits figured separately from each employer?

Yes, you receive a separate "determination" based on your work for each employer. Benefits are paid first from the last covered employer.

9. Can benefits be based on federal employment or on service in the armed forces?

   Yes. Ask about it at the employment office.

10. When do benefit rights end, based on past work for an employer?

    52 weeks after you last worked for him.

11. What happens if my employer claims that I should not get benefits; for example, if he claims I quit or was discharged?

    Your benefits are held up while we investigate the facts. We get both your story and the employer's. Then we issue a written decision as to whether you are eligible for benefits. We send a copy to you, and one to the employer.

12. What if I think that decision is wrong?

    You (or the employer) can appeal the decision within the time limit it shows. An appeal means a formal hearing at which you and the employer, as well as any witnesses, appear in person.

13. Can I be paid while I can't work, or while I don't want a job?

    No.

14. How about a job offer?

    Take it, unless there's a reason for refusing it which would be accepted as "good cause" under the Wis. UC Law. The same thing is true if the employment office tells you about a job opening —go see the employer.

15. What happens if I refuse a job?

    If you don't have "good cause," the law stops (or postpones) benefits until you do get a job and work in 4 weeks and earn 4 times your weekly benefit rate.

16. If I work, what kind should I report?

Report ALL your WORK and WAGES each week you report even though you haven't been paid yet. Report the total pay earned, not just the take home pay.

17. Is it wrong not to report wages I earn or not to report a job offer?

Definitely yes. It is a clear case of fraud whenever a worker—while claiming benefits—fails to report:

a. Any work or any wages or any other kind of pay he has coming; or

b. Any job offer.

18. What is the penalty for fraud?

a. Jail—up to 30 days for each week's fraud.

b. Court fines—up to $100 for each fraud.

c. Recovery of any fraud benefits.

d. Benefit losses—up to 3 benefit weeks cancelled for each fraud week.

19. Can a pregnant woman draw benefits?

She can't be paid for weeks in which she can't work. In any event, she can't be paid for 10 weeks before childbirth, or 4 weeks after.

20. Who should cash my benefit checks?

No one but you should endorse and cash your benefit checks. Each UC check requires you to identify yourself when you are cashing it.

21. Who pays contributions to finance UC benefits?

Employers only.

May 25, 1961

STATEMENT OF GOVERNOR OTTO KERNER

ON WORKMEN'S COMPENSATION AGREED BILL

On March 10, 1961, I appeared with the Director of Labor, Robert Johnston, and the members of the Illinois Industrial Commission before the initial meeting of representatives of management and of labor to discuss workmen's compensation legislation for this legislative session in the State. They were again about to begin their biannual consideration of changes in the Illinois Workmen's Compensation Act and the Illinois Occupational Diseases Act, to be jointly recommended by them to the Legislature and to the Governor. I pointed out to the conferees at that time that three-fourths of our entire labor force in the state would be affected by their deliberations, and I urged that particular attention be given to the level of weekly compensation benefits and of death benefits as well as the provisions concerning totally disabled workers.

The conferees then began their deliberations which have extended over many weeks. Representing the employers of the state was a committee consisting of James Garrison of the Caterpillar Tractor Company, Joliet, Chairman; Douglas Stevenson of Chicago, Co-Chairman, and including Al Smith, a Chicago attorney and Carter Harrison, an attorney from Benton, Illinois.

Chairman of the labor group was Reuben G. Soderstrom, President of the Illinois State AFL-CIO, and it included Stanley L. Johnson and Maurice McElligott, Executive Vice-President and Secretary-Treasurer, respectively, of the state labor federation, and a legal advisory committee of attorneys, consisting of Irving Greenfield, chairman, Hugh McCarthy, Co-Chairman, Lester Asher, Harold A. Katz and Bernard Kleiman, all of Chicago, Michael Hannegan of West Frankfort, and Jasper E. Wenzel of Gillespie, Illinois. A true measure of the confidence reposed in the conferees over the years is shown by the fact that Illinois legislatures and Governors in the past have without exception enacted their recommendations into law.

Last night at a meeting here in Springfield the conferees reached final agreement on changes to be recommended in the Illinois Workmen's Compensation and Occupational Diseases Acts. I am pleased to advise that under this agreement significant improvements will result in these humane laws, including real progress in the areas to which I particularly directed attention. The changes in the law as recommended by the labor-management conferees are as follows:

I. Weekly Compensation Rates

An increase of approximately 15% in weekly benefit rates has been agreed to by the Representatives of industry and labor in the state. The effect on the rate schedule of the agreement will be as shown in this table:

Marital Status	Present Maximum Weekly Rates	New Schedule of Maximum Rates	Dollar Increase
Single	$45.00	$51.00	$ 6.00
Married - no children	45.00	52.00	7.00
One child under 18	46.00	53.00	7.00
Two children under 18	48.00	55.00	7.00
Three children under 18	50.00	57.00	7.50
Four children under 18	51.00	61.00	10.00

This will result in corresponding increases of approximately 15% in all cases involving "specific loss" of use of "members" or parts of the body, such as a hand or a finger or a leg or a foot injury.

II. Death Benefits

Increases of from $1,250 to $2,500 have been agreed to in death cases, as follows:

Marital Status	Benefit Maximum	Proposed Maximum	Increase
Widow	$12,250.00	$13,500.00	$1,250.00
One child under 18	12,750.00	14,000.00	1,250.00
Two children under 18	13,500.00	15,000.00	1,500.00
Three children under 18	14,500.00	16,000.00	1,500.00
Four children under 18	15,000.00	17,500.00	2,500.00

Under our compensation act this will result in corresponding increases in the amount recoverable in cases involving permanent total disability and permanent partial disability.

Two other proposed changes will also affect death cases:

(1) It has been agreed that in all death cases a $500 burial allowance will be paid. At the present time, the burial allowance is payable only where the employee leaves surviving no dependents.

(2) Where a childless widow remarries, the allowable death benefit will continue to drop 50%, but instead of the weekly rate decreasing one-half for the full remaining period, it will continue at the same weekly rate but only for half as many weeks.

— Previously she lost almost all of remained

III. Loss of Sight-Eye Cases

An increase of 10 weeks in the maximum recovery for loss of sight in either eye has been agreed to from 140 to 150 weeks for loss of sight without enucleation, from 150 to 160 weeks in the case of enucleation of the eye. Combined with the increase in weekly compensation rates, this will mean in the case of a worker with two dependent children who loses the sight of one eye without enucleation in an industrial accident, an increase from the present $6720 to a total of $8250 under the proposed schedule. I know of no more deserving group than those who have suffered industrial eye injuries which permanently impair their vision.

IV. Atomic Radiation

A worker will have five years rather than three years from the date of last exposure to radiation within which to assert a claim under the Illinois Occupation Diseases Act. Since the grave effects of exposure to the hazards of radiation may be slow in manifesting themselves, I am glad that an additional period of two years will be allowed within which a claim for compensation may be filed.

V. Regulation of Claims Adjustment Companies

A new provision will bring workmen's compensation claims adjustment companies under some of the same regulatory provisions now applicable to insurance companies.

VI. Damaged Artificial Members and Dentures

Where an artificial member or prosthetic appliance is damaged as a result of an industrial accident, the employer will be obligated to replace it. Where dentures are damaged, they will under the agreement be replaced by the employer if there was also bodily damage to the employee in the same accident.

VII. Credit for Weekly Payments

The most credit that an employer will be entitled to receive for payment to an employee while disabled from work will under the agreement reached, be the amount of the applicable weekly compensation rate, and an excess cannot be credited against other compensation which may be payable to the employee under the Act.

These changes will vitally affect the great bulk of the working people of the state. As a result of this agreement an additional $9,000,000 will be paid to injured employees in the state in the next biennium. It is perhaps not generally recognized that there are over 40,000 work injury claims in Illinois each year. With the improved operation of the factory inspection

division and the industrial hygiene unit in the Department of Labor, I hope that a significant reduction in accident rates in the state will occur to the benefit of both industry and labor.

I congratulate all of the representatives of both management and labor in the state for the fine way in which they have given their time and energies in this most complex but important field affecting that group in the state most needy and deserving--the industrially injured and maimed. This agreement proves once again how labor and management, working together through enlighted self-interest, and cooperating for the common good, can accomplish so much for the welfare of our state. On behalf of the people of the State of Illinois, I am most gratified by this agreement on workmen's compensation, and particularly so since this mutual proposal comes on the heels of an excellent agreed bill in unemployment compensation that I have already signed into law.

This agreement on workmen's compensation, will result in real and lasting improvements in our Workmen's Compensation Act and our Occupational Diseases Act. I heartily recommend its speedy enactment into law by the General Assembly under bi-partisan sponsorship. I hope that the joint Workmen's Compensation Subcommittee of the Legislature, which materially assisted in this agreement being reached, will join in sponsoring this bill when its drafting has been completed. The members of the joint legislative Sub-committee are: Senator Merritt Little, Chairman; Representative Nathan J. Kinally, Vice-Chairman; Senator Robert Cherry, Senator Dennis Collins, Representative T. MacDowning, Senator Marshall Korshak, Senator Lillian E. Schlagenhauf, Representative Allen J. Dixon, Representative George E. Dolezal, Representative Andrew A. Euzzino, Representative Joseph J. Lelivelt, and Representative Carl W. Soderstrom.

OTTO KERNER
Governor.

Springfield, Illinois
May 3, 1961.

PLG:aw
ILIR 01079
5/25/61

COMMISSIONERS
MATHIAS F. SCHIMENZ, CHAIRMAN
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The State of Wisconsin

INDUSTRIAL COMMISSION

STATE OFFICE BUILDING

1 WEST WILSON ST., MADISON 2

FUNCTIONS
APPRENTICESHIP
EMPLOYMENT SERVICE
FAIR EMPLOYMENT PRACTICES
INDUSTRIAL SAFETY AND BUILDINGS
STATISTICS
UNEMPLOYMENT COMPENSATION
WAGE COLLECTION
WOMAN AND CHILD LABOR
WORKMEN'S COMPENSATION

July 27, 1961

IN REPLY PLEASE REFER TO:
Ins. 128

TO ALL COMPENSATION INSURANCE CARRIERS
and SELF-INSURED EMPLOYERS

Re: 1961 Amendments to the Workmen's Compensation Act

Gentlemen:

Chapter 269, Laws of 1961, which effects certain amendments to the Wisconsin workmen's compensation act, was signed by the Governor on July 17, 1961, and was published on July 25, 1961. Both the Bill 431, S. and the Act indicate an effective date the first of the month following publication, so it becomes effective at 12:01 A.M. August 1, 1961. These amendments were recommended by the Workmen's Compensation Advisory Committee, composed of representatives of labor, industry, insurance carriers and the public. A synopsis of the changes which will apply to injuries occurring on and after August 1, 1961, are set forth below.

Subsection 102.11 (1). The maximum weekly wage for temporary disability, permanent total disability and death is increased to $85.72. This increases the maximum weekly compensation from $54 to $60, and the maximum death benefit from $15,428 to $17,144. Compensation for permanent partial disability is increased from $40 to $42.75 per week, based upon an average weekly wage of $61.07, or more.

Subsection 102.03 (2). The legislative intent that workmen's compensation shall be the exclusive remedy between the parties is clarified by adding the words "and the workmen's compensation insurance carrier" to the end of this subsection.

Subsection 102.17 (1) (as). Amendment is made to allow either verified or certified medical report.

Subsection 102.17 (4). In cases of injury or death caused by exposure to ionized radiation the statute of limitations is extended to 25 years.

Subsection 102.565. The maximum allowance for nondisabling silicosis is increased to $7,000.

Yours very truly,

Ralph E. Gintz

Ralph E. Gintz, Director
Workmen's Compensation Division

REG/OS

E.F.U

INDUSTRIAL
COMMISSION
OF WISCONSIN

FACTS ABOUT THE WISCONSIN WORKMEN'S COMPENSATION LAW

With Amendments
to September 1, 1961

INDUSTRIAL COMMISSION of WISCONSIN

MATHIAS F. SCHIMENZ
Chairman

R. G. KNUTSON
Commissioner

CARL E. LAURI
Commissioner

HELEN E. GILL
Secretary

RALPH E. GINTZ
Director of Workmen's Compensation

FACTS ABOUT THE WISCONSIN WORKMEN'S COMPENSATION LAW

1. Q: What is the Wisconsin Workmen's Compensation Act?
   A: It is the law which provides for medical and money benefits to employes injured by reason of their work, and for death benefits to their dependents.
2. Q: By whom is the act administered?
   A: By the Industrial Commission, Madison, Wisconsin.

INJURIES COVERED

3. Q: What injuries are covered?
   A: Mental and physical harm of all kinds, whether due to accident or disease, and also *accidental* damage to, or destruction of artificial members, dental appliances, and teeth, also eye glasses provided they are damaged in an accident which causes some personal injury, although slight.
4. Q: Are all occupational diseases covered?
   A: Yes, all diseases due to employment, such as silicosis, lead poison-

ing, hernia, dermatitis, and loss of hearing, caused by exposure over a period of time to conditions which result in injury.

CONDITIONS OF LIABILITY

5. Q: What must an employe show to entitle him to benefits?

   A: That he and his employer were subject to the compensation act; that he was injured while performing service for his employer; that the injury was not intentionally self-inflicted; and that his injury was caused by his work.

6. Q: Is an employe who is injured while merely going to or from work entitled to benefits?

   A: Yes, but only if he is on the premises of his employer at the time, or on premises where his service is to be performed. If he is actually performing service for his employer, or is being transported by the employer when injured, and is hurt because of a hazard of service, he will be entitled to benefits whether or not he is on the employer's premises when hurt. An employe whose employment requires him to travel is deemed to be performing service at all times while on a trip, except as he steps aside to do some personal act. He is covered while traveling in trains, cabs, or while in eating places, hotels and other places of sojourn, provided he has not deviated for a private or personal purpose. Actions reasonably necessary for living, such as eating, bathing, etc., are not to be regarded as such deviation.

7. Q: What employers are subject to the act?

   A: (1) All employers, except farmers, who have *at any time*, even mo-

mentarily, employed three or more persons in the course of a trade, business, profession or occupation and have not elected not to be subject to the act; (2) all employers, except farmers, who usually employ three or more persons in the course of a trade, business, profession or occupation are compulsorily subject and may not withdraw; (3) all municipal divisions, such as the state, county, city, village and school district, regardless of the number of employes. Employers of domestic servants and other persons not employed in the business or trade of the employer are not subject but the employer may voluntarily become subject by taking a policy of workmen's compensation insurance. (4) A farmer who employs 6 or more employes on 20 or more days in a calendar year becomes subject to the act. Other farmers may voluntarily elect to come under the law by taking out workmen's compensation insurance. Certain specified close relatives are not counted as employes in determining whether the farmer is subject.

8. Q: Suppose the employer has two employes in one business and one in another, or two employes in one city and one in another?

A: The employer becomes subject to the act when he has three employes, whether in one or more businesses or locations.

9. Q: If an employer withdraws from the act, what is his liability in case of injury to an employe?

A: He may be sued in court, and upon a showing of negligence may be held liable for such damages as are determined by the court and jury.

10. Q: If an employer is subject to the act, may an employe sue in court for injury if he prefers?

A: No; when parties are subject to the act it is the only remedy between them for personal injury arising out of employment.

11 Q: What advantage is there in an employer electing to become subject to the compensation act?

A: He cannot be sued at common law for damages; he becomes liable for definite benefits and may insure his risk.

12. Q: If an employe works for a contractor who is not subject to the act, or who has no insurance, may the employe hold liable the principal employer for whom the contractor performs service?

A: Yes, provided the principal employer is subject to the act. He could not, for example, hold a farmer as principal employer unless the farmer had become subject to the act, nor could he hold a principal employer who had never employed more than two persons and had not become subject to the act.

EMPLOYES COVERED

13. Q: Who are employes subject to the act?

A: Those who work for anything of value but not persons who are working with no intention that payment shall be made for services.

14. Q: May minors receive compensation?

A: Yes. Minors under the act are competent to contract and receive compensation benefits, as are adults.

15. Q: May employes waive their benefits, that is, agree that in case of injury no benefits will be claimed?

A: No, except epileptics and those totally blind, and those only if they have given notice to the commission and the employer in advance, and then only for such injuries as are caused by epilepsy or blindness. Any other agreement to waive benefits is illegal and absolutely void and of no effect.

WAGE BASIS

16. Q: On what basis is money compensation paid?

A: On the wage earned by the employe at the time of injury.

17. Q: What is the wage basis for compensation?

A: The normal full time wage at the time of injury in the employment in which the employe works at that time. Wage earned beyond normal full time hours is counted only if the employe has worked within six calendar weeks or more for the employer in whose employ he is injured, and then only if the average weekly wage earned is higher than the normal full time wage. For example, if the normal full time weekly wage is $60, but over a six week period the employe has put in overtime and earned $450, his actual average weekly wage is $75, and compensation is based on such wage. If, however, during the six week period the employe has lost a good deal of time and has earned only $360, or less, his wage will be $60 per week, based on normal full time.

18. Q: How is the wage of a part time worker fixed?

A: On the wage of a normal full time worker. If, for example, a part time worker performs service for one hour per day, and normal full time workers in the same type of employment work eight hours per day, the part time worker's wage is to be taken on the basis of an eight hour day.

19. Q: What is the minimum weekly wage for compensation purposes?

A: Minimum weekly wage is $12.50 and minimum weekly compensation 70 per cent of that wage, or $8.75. Minimum compensation is payable no matter how small a wage the employe may earn. Minimum weekly wage is always at least 30 times the hourly rate if such wage amounts to more than $12.50 per week. Minimum weekly wage for permanent disability is $20, with weekly compensation 70 per cent of that wage, or $14.

20. Q: What is the maximum weekly wage?

A: Maximum wage is $85.72, and maximum compensation is $60 for temporary, permanent total, and death. For permanent partial disability maximum wage is $61.07, and maximum compensation is $42.75. No matter how high the wage, no employe can receive more than these amounts except as increased compensation because of violation of a safety order, or because illegal hiring of a minor may produce a higher amount.

21. Q: Are tips counted in determining wage?

A: All things of value, as board and room, tips, bonuses agreed upon, etc., are counted when they are part of the consideration for work.

22. Q: Must notice of injury be given to the employer in order to obtain compensation?

A: Notice must be given within 30 days from the date of injury, or the right to compensation may be barred. Injury should be reported immediately, or as soon as possible to the foreman or other designated person to avoid doubt being thrown on a later claim, and also so that medical treatment may be promptly given.

23. Q: Suppose notice is not given within 30 days?

A: Claim may still be established if the employer was not misled by failure to give notice. If the employer can show he was misled benefits will not be payable.

FILING OF CLAIMS

24. Q: How soon must claim be made where no compensation has been paid?

A: Application for adjustment of claim must be filed with the Industrial Commission within two years from the date of injury unless compensation has been paid, when the application may be made within six years from the date of the last payment of compensation. The time for filing application may be extended to six years if it can be shown that the *employer* knew or ought to have known within the two year period that the employe had sustained an injury even without actual resulting disability at the time.

25. Q: Suppose the employe does not learn within two years that an occupational disease was caused by his work?

A: The time is then extended for two years from the time he knew or should have known of the connection between his disease and his work, but is not extended beyond six years from the last day of work before his disability commences.

26. Q: When claim for compensation is made, has the employer a right to have physical examination of an employe made by a doctor?

A: Yes, in order to learn the extent and character of the employe's disability, so that he may know whether or not to pay compensation. If the employe fails to submit to reasonable examination as requested from time to time, his compensation may be suspended. Applicant may have his own doctor present at the time of examination if he wishes. If the examination is considered unreasonable, the matter may be submitted to the commission for decision. The employe is entitled to compensation for time lost and to his traveling expense, if any, in submitting to examination.

27. Q: Suppose a dispute arises as to liability and the parties wish to settle on a basis agreeable to them?

A: They may do so, but always subject to the commission's approval. If the commission does not approve settlement, it has no effect, and further claim may be made. All compromise agreements are subject to review by the Industrial Commission within one year.

WHO BEARS COST?

28. Q: May an employer charge the employe for the cost of compensation insurance or benefits?

A: No; the law makes that illegal and provides penalties.

29. Q: Should an employe sign receipt for compensation?

A: Yes, but the signing of receipt does not prevent him from claiming and recovering additional compensation even though the receipt may state that the amount paid is in final settlement.

HEARING PROCEDURE

30. Q: In case of dispute what may the employe do to obtain compensation?

A: He may file his application for adjustment of claim with the Industrial Commission, Madison, Wisconsin. Blank forms are supplied by the commission upon request. After application is filed, hearing is set as soon as possible at a selected center, as close to applicant's residence as possible, upon notice given at least 10 days in advance to all interested parties.

31. Q: Must the applicant be represented at hearing by attorney?

A: No; the law provides he may appear in person, by agent or by attorney.

32. Q: If an employe is not represented by attorney, who assists him in bringing out the facts?

A: The commission's examiner who conducts the hearing will ask questions of all witnesses present at the hearing. (See 36. Q. and A.)

33. Q: Is there any limitation as to attorney's fee?

A: The law allows an attorney to charge up to 20% of the amount recovered, unless there is no dispute and no need for hearing, when the fee charged cannot ex-

ceed 10% and not more than $100 in any case.

34. Q: Who must pay the attorney's fee?

A: The person making claim must pay the fee from the compensation which is awarded. It is well to have a clear understanding in advance with the attorney as to the fee to be charged.

35. Q: May a union representative represent an employe at hearing?

A: Yes; any person, upon proper showing, may obtain permission from the examiner to represent a claimant.

36. Q: Must the applicant have witnesses at hearings?

A: Witnesses are not needed as to points not in dispute. As to points in dispute appearance of witnesses should be arranged. Each party must bear the expense of producing his own witnesses. If there is question as to what witnesses are needed, and no lawyer is retained, the commission may be consulted at the time of filing application, or as soon as possible before hearing.

37. Q: Are doctors' reports admissible as evidence for the employe?

A: Yes, of doctors licensed and practicing in Wisconsin and of doctors outside Wisconsin to whom the claimant had been sent for examination or treatment by the employer or insurance company. These must be notarized or certified, on forms provided by the commission, and filed with the commission at least 15 days before the time of hearing. They should be presented at the time application is filed, or as soon thereafter as possible. Forms are supplied by the commission on request.

38. Q: Who conducts hearings and decides cases?

A: Law examiners of the Industrial Commission.

APPEALS

39. Q: May there be appeal from the examiner's findings?

A: Yes, to the Industrial Commission as a body. This must be done within 20 days from the date of the order made by the examiner after hearing. If petition for review is not filed within 20 days from that date, the commission and the court loses jurisdiction.

40. Q: What further appeals are possible, after appeal to the commission?

A: One to the Circuit Court of Dane County within 30 days from the order of the commission as a body, and to the Supreme Court within 30 days from notice of entry of judgement of the Circuit Court.

EXEMPTION FROM DEBT

41. Q: May compensation be assigned?

A: No; neither can it be taken for debt, either by garnishee action or otherwise, except for Federal Income Tax. It is not necessary to report compensation payments for income tax purposes, as income tax is not charged on workmen's compensation benefits.

LIABILITY FOR COMPENSATION

42. Q: Who pays compensation?

A: Most employers carry insurance so that the insurance company pays benefits. Some employers are "self-insurers" and pay compensation directly. In either case, the employer is primarily responsible for payment.

43. Q: Are employers required to insure their compensation liability?

A: All employers subject to the act are required to insure unless excused by the Industrial Commission on a showing of financial ability to pay claims. Only a small number of employers are "self-insurers." Failure of employers to insure unless excused calls for heavy penalties.

44. Q: If a person is hurt by negligence of a "third party" may he take compensation and also sue the third party?

A: Yes. He will then receive his full compensation benefits and also one-third of the net amount recovered from the third party. All costs of collection, including attorney's fees, are taken out before division of proceeds is made. The insurance company or employer is then repaid the amount paid or to be paid as compensation, and if any balance remains that also is paid to the employe. Action against a third party is usually by joint action of the employer or his insurance carrier and the injured employe.

MEDICAL BENEFITS

45. Q: What are the benefits under the act?

A: (1) Medical treatment; (2) compensation for lost time, wage and disability; (3) death benefit; (4) maintenance during rehabilitation training.

46. Q: What medical benefits are provided?

A: Every sort of medical or hospital treatment reasonably necessary. Treatment by a doctor of osteopathy or a chiropodist (foot doctor) is included. Treatment by a

masseur or physical therapist is included when prescribed by a regularly qualified physician. Artificial limbs and appliances of all kinds when needed are also to be provided but are not required to be replaced. Employes are entitled to compensation for lost time and for necessary traveling expense when submitting to treatment.

46a. Q: Is treatment by a chiropractor provided?

A: There is no liability for chiropractic treatment unless such is prescribed by a regularly qualified physician.

46b. Q: Is Christian Science treatment provided?

A: Christian Science treatment may be provided in lieu of medical treatment unless the employer has filed notice with the commission not to provide such treatment.

47. Q: Is there any limit as to time or amount of medical and hospital benefits?

A: Absolutely none, except treatment must be reasonably necessary and the expense must be reasonable.

48. Q: Who supplies the physician?

A: The employer or insurance company must give the employe his choice from a reasonable number of doctors to be listed on a panel. The employe is also entitled to a second choice of physician if he is dissatisfied with the first physician chosen. The commission may, in addition, permit choice of some other doctor upon proper showing.

49. Q: What is a "reasonable number" of physicians?

A: That is to be determined by the commission in each case. Most employers list a very wide choice. If

the employe believes the employer does not list an adequate number, or that proper treatment is not being given, he should take the matter up with the commission.

50. Q: Must the employe give notice to the employer that he needs treatment?

A: Yes; otherwise he must bear the expense himself, except that in case of emergency the employer becomes liable for the reasonable value of necessary treatment before the time that it is possible to give notice. In case of occupational disease he may recover the reasonable expense of treatment incurred before he knew that his work caused his condition, even though notice is not given.

51. Q: Need artificial members, when worn out, be replaced?

A: No; only one suitable member is required to be supplied. If the member supplied is not suitable, a suitable one must be supplied.

52. Q: Suppose the employe refuses medical treatment?

A: If he refuses reasonable treatment he will lose his rights to compensation so far as his refusal results in greater disability.

PAYMENT AND BASIS OF COMPENSATION

53. Q: When does compensation commence?

A: On the 11th day after the date of injury. There is no compensation for the first three days following the day of first disability except as hereafter noted. For example, an employe who is injured and leaves work on the first day of the month is entitled to compensation only for such disability as results on and after the fifth day

of the month. The first payment is due on the eleventh day for such disability as has then resulted, and weekly thereafter during disability. If there is disability following the tenth day after the day of first disability, compensation is also payable for the first three days. If compensation is not received within two weeks after injury, the employe should inform the commission.

54. Q: Are Sundays counted in the first three days?

A: No, unless the employe works on Sundays. Sundays are, however, counted in the running of the ten day period.

55. Q: What money payments of compensation are to be made?

A: Seventy per cent of weekly wage during total disability but not more than $60 for temporary disability, permanent total disability, and death, and $42.75 for permanent partial disability, nor less than $8.75 in any case of temporary total disability, nor $14.00 in case of permanent partial disability or death.

56. Q: Suppose an employe earns $100 per week?

A: No matter how large his wage, the highest compensation payable is $60 per week, as stated in previous answer.

57. Q: Suppose there is disability which causes only partial wage loss?

A: Proportionate compensation is then paid; for half wage loss half of compensation payable for total disability is to be paid. If total disability calls for $60 compensation half wage loss calls for $30.

58. Q: Is compensation payable for all days lost?

A: For each day except Sunday one-sixth of weekly compensation is payable. That is true whether the employe works on Sundays or more or less than six days per week.

59. Q: Suppose disability prevents a man from ever earning again?

A: He receives compensation for the rest of his life.

60. Q: Suppose disability will always remain to the head or body but some work can be done?

A: Compensation is then paid for a limited number of weeks, dependent on age, but never for more than 1000 weeks in addition to the "healing period". To illustrate, if 50% disability results to one 50 years of age or under, compensation is payable for 500 weeks, if 25% disability, to 250 weeks, etc. In cases of persons over 50 years of age, the basic number of weeks for permanent partial disability to the head or body decreases by 2½% each year until age 70, at which age there is no further reduction.

REHIRING OF EMPLOYE

61. Q: Is an employer required to rehire an employe injured in the course of employment?

A: No, but if an employer refuses to rehire such an employe without good cause, or if the employer discriminates against such an employe, the employer is subject to a forfeiture of $50 to $500 in an action by the State of Wisconsin.

DEATH BENEFITS

62. Q: Who is entitled to receive death benefits?

A: Only persons named in the compensation act, including husband, wife, children 18 or under, grandchildren, parents, brothers and sisters, and members of family.

63. Q: How much death benefit can be paid?

A: The largest payment (in case of total dependency) is $17,144, and the smallest $4000.

64. Q: Suppose a person is receiving compensation for permanent disability and then dies from some cause other than injury?

A: Of the balance remaining unpaid, up to $350 is applied on burial expense. The remainder becomes payable to dependents not, however, in a sum greater than such dependents would have received if death had resulted from injury.

65. Q: What may parents receive as death benefit?

A: If they were on friendly terms with the son or daughter, $2000 is paid as death benefit. However, if parents are totally dependent they may receive as much as $4000 to $17,144 varying with the wage of the employe.

66. Q: What may other dependents receive?

A: They may receive the amount which they might have expected to receive from the employe as contribution to support but not more than $17,144 in any case.

67. Q: In addition to death benefit is burial expense payable?

A: Yes, but not more than $350.

68. Q: What is the provision for additional payments to children of a widow who herself is to receive benefits?

A: Children 16 or under living with the employe at the time of injury

may receive benefits from a state fund created for that purpose. The amount varies with age up to a total of $4,571 for one child, and is payable at the rate of 13 per cent for each child of the weekly amount paid to the widow or widower.

METHOD OF PAYMENT

69. Q: Are benefits payable in installments or in one sum?

A: The purpose of compensation payments is to replace wage loss as and when it occurs. All compensation, including death benefit, is to be paid in installments as are wages unless a showing is made to the commission that interests of the employe or dependent will be conserved by more rapid or lump sum payments.

70. Q: Do employes or dependents lose compensation if they receive a lump sum payment?

A: As payments are normally due only in installments, 3% compound interest is charged when payments are made more rapidly or in one sum.

SCHEDULES OF BENEFITS

71. Q: In case of loss of a member such as a hand, arm, leg, foot, eye, etc., how is compensation paid?

A: Schedules in the act provide payment for a certain number of weeks for loss by amputation, as of toes, arms, feet, etc., and for loss of vision or hearing. Loss of an arm at the shoulder, for example, calls for payment to a person aged fifty or under of 500 weeks' compensation in addition to compensation for healing period. Loss of vision of one eye calls for 250 weeks' compensation; loss

of hand at the wrist 400 weeks; loss of foot at the ankle 250 weeks; loss of thumb at the proximal joint 100 weeks, etc.

72. Q: Does it make a difference whether the right or left member is lost?

A: No, the amount is the same in either case.

73. Q: Does age make a difference?

A: There are reductions of 2½% for each year after age 50 in the number of weeks allowed. For example, one aged 60 when injured will have compensation reduced by 25% in the number of weeks allowed with no further reduction after age 70.

74. Q: In case of loss of members is healing period paid in addition to the number of weeks allowed by schedule?

A: Yes, in all cases compensation is paid for the actual necessary healing period, based on necessary wage loss during temporary disability up to the time the condition has become stationary and permanent disability can be fixed.

75. Q: Suppose there is not loss by amputation but stiffness or other disability?

A: A proportionate number of weeks is then payable. If, for example, the loss of use is one-half of the arm, 250 weeks would be paid instead of 500.

76. Q: Where more than one member, such as finger, arm, hand, leg, etc., is affected is there special provision?

A: Yes, additional amounts are allowed for multiple injuries.

DISFIGUREMENT BENEFITS

77. Q: Suppose disfigurement results?

A: Additional compensation up to $4,286 may be paid for disfigurement of the face, head, neck, hand or arm. It must be shown, however, that the disability is such as probably will cause wage loss—this because the employe is unable to obtain work or must accept a lower wage because of disfigurement.

INCREASED AND DECREASED COMPENSATION

78. Q: Suppose it can be shown that the employer or employe was negligent?

A: Negligence makes no difference as to payment of compensation except as there may be violation of a safety order.

79. Q: May compensation be increased for any reason?

A: Yes. The law requires the employer to furnish a safe place to work and to comply with orders of the Industrial Commission as to safety. If injury is caused by reason of a violation by the employer of the "safe place" statute, or of a safety order, or because of failure of an employer reasonably to enforce compliance by employes with a statute or order, 15% increased compensation becomes payable to the employe or his dependents.

80. Q: May compensation be decreased for any reason?

A: Yes, if the employe *willfully* fails to follow rules for his safety or to use safety devices which the law requires, adequately maintained and the use of which is enforced compensation may be decreased 15%. If injury occurs because of intoxication, compensation is also decreased 15%.

81. Q: What about illegal employment of minors?

A: If an employer is required to have a permit to hire a minor and no permit is obtained, the employe will receive double compensation for his injury. If he is employed at prohibited employment (whether or not he has a permit), he will receive treble compensation. Under provision of the Child Labor law, certain employments have been prohibited to minors of certain ages.

82. Q: Who pays such increased compensation?

A: It must be paid by the employer himself and not by the insurance company, except if the employer is shown to be insolvent.

PRE-EXISTING DISABILITY

83. Q: Suppose an employe already has disability and injury causes additional disability?

A: If disabilities are sufficiently serious, that is, if such as to call for payment of at least 250 weeks of compensation for each disability, he may receive additional payments from a fund set up in the state treasury for that purpose. The employer thus pays only for the disability caused by his work, and the fund pays additional compensation.

REHABILITATION BENEFITS

84. Q: What about rehabilitation benefits?

A: If the employe has a type of injury which makes it difficult or impossible for him to do work previously performed, he may, during a period not exceeding 40 weeks, receive expenses of travel and costs of maintenance, provided rehabilitation instructions are

received elsewhere than at the place of his residence. During the period of rehabilitation compensation is continued on the basis of wage loss.

85. Q: Is there provision for training in the use of artificial limbs?

A: Yes, during such period applicant will continue to receive compensation and is entitled to all training and expenses necessary to attain efficient use of artificial members and appliances.

REPORT OF INJURY BY EMPLOYE

86. Q: What should an employe do when he suffers injury?

A: He should report at once to his employer directly, or through a foreman or designated person; he should submit promptly to all necessary first aid and medical treatment; he should submit to medical examination by the employer's doctor from time to time as requested; if compensation is not promptly paid, he should notify the Industrial Commission.

Many slight injuries produce serious results because first aid or medical treatment is not immediately procured. Many claims are hard to prove because immediate notice of injury was not given to the employer.

HOW TO OBTAIN INFORMATION

87. Q: If an employe has doubt as to his rights or duties, what should he do?

A: He should promptly submit his question to the Workmen's Compensation Division, Industrial Commission, Madison, Wisconsin, or if at Milwaukee he may consult the commission's examiner at 794 North Jefferson Street.

Finish Q. & A.

Procedure in a local [Participation]
Stewards Council
Get Member Info
A Special Committee
K & Co Reports
Cf other locals [Comparability]
Marshfield - Chamberlain
Write State AFL - CIO
INT'l Rep
Ind Com

What happens Now
Problems in Co.
State them
Turn over to a
Committee

UNIVERSITY OF ILLINOIS
INSTITUTE OF
LABOR AND INDUSTRIAL RELATIONS
704 SOUTH SIXTH STREET
CHAMPAIGN, ILLINOIS

October 24, 1961

Mr. Emory Via
School for Workers
University of Wisconsin
Madison, Wisconsin

Dear Emory:

Yes, I will be in Beloit on November 9. I would be glad to send you copies of our bulletin for distribution in advance, if you think the people in the class will actually do the reading and if you will tell me how many you need. I am glad that you were able to get Bernie Kleiman for at least one session. How many Illinois people are there in the class?

Sincerely,

Phil

Phillips L. Garman
Coordinator of Extension

PLG:aw

School for Workers
Extension Division
University of Wisconsin

October, 1961

Workmen's Compensation
This course is sponsored by the Beloit Vocational and Adult School in cooperation with the School for Workers

October 5: Historical Development of Workmen's Compensation Legislation
--Emory Via, School for Workers

October 12: Workmen's Compensation in the United States Today: types of benefits, insurance, administration.
--Emory Via, School for Workers

October 19: The Provisions of the Wisconsin Law: benefits, claims, appeals.
--Emory Via, School for Workers

October 26: Rehabilitation: human, legal, and administrative problems.
--O. H. Richter, Senior Supervisor, Wisconsin State Board of Vocational and Adult Education, Rehabilitation Division.

November 2: Safety-what the law provides, worker attitudes, safety education programs.
--R. E. Puphal, Deputy of Industrial Commission, Industrial Safety and Buildings.

November 9: The Provisions of the Illinois Law: benefits, claims, appeals.
--Phillips Garman, Coordinator of Extension, Institute of Labor and Industrial Relations, University of Illinois.

November 16: A Lawyer Views the Practical Problems of Workmen's Compensation--the injured worke and his case, attorney relations, case examples.
--Bernie Kleiman, Attorney specializing in workmen's compensation cases, Chicago, Illinois.

November 30: New Challenges to Our Oldest Social Insurance Program.
--David B. Johnson, Associate Professor of Economics, University of Wisconsin

WORKMEN'S COMPENSATION Beliot Fall 1961 Emory Via

Name	Union & Position	Employer	Job
Cornford, Kenneth	I.A.M. 1197	Beloit Iron Works	Press Brake Oper.
Damman, Martin	Boot & Shoe Wkrs. 312	Local 312	Bus. Agent
Gallagher, Willard	I.A.M. 1197, Trustee	Beloit Iron Works	Setup welder
Hendricks, Byron	U.S.A. 1533, Grievance man	Fairbanks Morse	Machine oper.
Ingram, Elias	U.S.A. 1533, Committeeman	Fairbanks Morse	Utility
Lorenz, Carl	I.A.M. 1197, Steward	Beloit Iron Works	Layout man
Luethy, Harry	I.A.M. 1197	Beloit Iron Works	Machinist
Lynch, John	I.A.M. 1197, Bargaining Comm.	" " "	Planer oper.
Makinen, Nestor	I.A.M. 1197, Steward	" " "	Maintenance Elec.
Nuciforo, Carmel	U.S.A. 1533, Vice Pres. & Rec. Sec. Central Body	Fairbanks Morse	Machinist
Schoville, Kenneth	I.A.M. 1197, Committeeman & Steward	Beloit Iron Works	Nadeshelper
White, Lowell	U.S.A. 1533, Grievance man	Fairbanks Morse	Press Brake Oper.
Dooley, Melvin	I.A.M. 1197, Pres. of local & Central body	Beloit Iron Works	Layout Man
McLain, Frank	I.A.M. 1197, Vice Pres.	Beloit Iron Works	Machinist
Brown, Milton	U.S.A. 1533, Grievance Committeeman	Fairbanks Morse	Welder
Holmbeck, Donald	U.S.A. 1532	Warner Brake	Machinist
Holmbeck, Gerald	U.S.A. 1532, Labor Council Rep.	" "	Machinist
Irving, Lawrenceq	I.A.M. 1197, Chief Steward	Beloit Iron Works	Welder
LeClair, George	I.A.M. 1197, Steward	" " "	Machinist

LABOR LAWS and their ADMINISTRATION

Bulletin 238

A DISCUSSION
1961

U.S. DEPARTMENT OF LABOR
Arthur J. Goldberg, *Secretary*

BUREAU OF LABOR STANDARDS
Arthur W. Motley, *Director*

COMMISSIONERS
MATHIAS F. SCHIMENZ, CHAIRMAN
R. G. KNUTSON
CARL E. LAURI
HELEN E. GILL, SECRETARY

The State of Wisconsin

INDUSTRIAL COMMISSION
STATE OFFICE BUILDING
1 WEST WILSON ST., MADISON 2

FUNCTIONS
APPRENTICESHIP
EMPLOYMENT SERVICE
FAIR EMPLOYMENT PRACTICES
INDUSTRIAL SAFETY AND BUILDINGS
STATISTICS
UNEMPLOYMENT COMPENSATION
WAGE COLLECTION
WOMAN AND CHILD LABOR
WORKMEN'S COMPENSATION

January 1, 1962

IN REPLY PLEASE REFER TO:

FARMERS SUBJECT TO THE WISCONSIN WORKMEN'S COMPENSATION LAW

Bill 432, S. was enacted as Chapter 387, Laws of 1961, effective January 1, 1962. Farmers who have 6 or more employes on any 20 different days during a calendar year will become subject and will be required to provide workmen's compensation insurance beginning 10 days after the 20th such day. In other words, farmers who regularly have 6 or more employes beginning January 1, 1962, will become subject and will be required to provide such insurance by January 30, 1962. Those who do not regularly have 6 or more employes upon that date but who subsequently have 6 or more employes will become subject on the 10th day after the 20th day of such employment within a calendar year.

For the purpose of determining the number of employes, but only for that purpose, the parents, spouse, child, brother, sister, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law of a farmer shall not be deemed to be his employes. Also, farm laborers working on an exchange basis shall not be deemed to be employes of the farmer to whom their labor is being furnished in exchange. These classes of persons may qualify for workmen's compensation benefits if they sustain injury while at work and the farmer employer is subject to the law.

Farmers with fewer than 6 employes may voluntarily elect to come under the law by obtaining a policy of workmen's compensation insurance. Over 1,100 farmers elected to become subject and to carry insurance previous to this 1961 amendment.

Farmers who do not carry workmen's compensation insurance may be sued by civil action for damages to an employe who is injured while at work. Farmers who are subject but who do not carry insurance are personally responsible under the terms of the compensation act, and the usual personal exemptions do not apply. A farmer who fails to have insurance coverage when he is subject to the law is also subject to fine of $10 to $100 for each day of such failure.

Insurance may be obtained from any insurance company authorized to write compensation insurance within Wisconsin or through the Wisconsin Compensation Rating Bureau at 623 North Second Street, Milwaukee, Wisconsin. An employer who becomes subject to this law continues to be subject until withdrawal is effected, as provided by Subsection 102.05 (1), even though he has less than 6 employes.

Inquiries for further information may be directed to:

Workmen's Compensation Division
Industrial Commission
244 State Office Bldg.
Madison 2, Wisconsin

REG/OS

Effective August 27, 1965 Wisconsin's Fair Employment Practices Law was amended to prohibit discrimination not only because of age, race, creed, color, sex, national origin or ancestry, but to also include discrimination because of "handicap".

In addition, Section 111.32 (5)(f) of the statutes has been created to read:

> "The prohibition against discrimination because of handicap does not apply to failure of an employer to employ or to retain as an employe any person who because of a handicap is physically or otherwise unable to efficiently perform, at the standards set by the employer, the duties required in that job. An employer's exclusion of a handicapped employe from life or disability insurance coverage, or reasonable restriction of such coverage, shall not constitute discrimination."

INDUSTRIAL COMMISSION

OF

WISCONSIN

Joseph C Fagan — Chairman
Gene Rowland — Commissioner
CARL E. LAURI — Commissioner

STEPHEN J. REILLY, *Secretary*

VIRGINIA HUEBNER, *Director*
Fair Employment Practices Div.
819 N. 6th Street
Milwaukee, Wisconsin 53203

FAIR EMPLOYMENT

111.31 (1) The practice of denying employment and other opportunities to, and discriminating against, properly qualified persons by reason of their age, race, creed, color, sex, national origin or ancestry, is likely to foment domestic strife and unrest, and substantially and adversely affect the general welfare of a state by depriving it of the fullest utilization of its capacities for production. The denial by some employers and labor unions of employment opportunities to such persons solely because of their age, race, creed, color, sex, national origin or ancestry, and discrimination against them in employment, tends to deprive the victims of the earnings which are necessary to maintain a just and decent standard of living, thereby committing grave injury to them.

(2) It is believed by many students of the problem that protection by law of the rights of all people to obtain gainful employment, and other privileges free from discrimination because of age, race, creed, color, sex, national origin or ancestry, would remove certain recognized sources of strife and unrest, and encourage the full utilization of the productive resources of the state to the benefit of the state, the family, and to all the people of the state.

(3) In the interpretation and application of this subchapter, and otherwise, it is declared to be the public policy of the state to encourage and foster to the fullest extent practicable the employment of all properly qualified persons regardless of their age, race, creed, color, sex, national origin or ancestry. All the provisions of this subchapter shall be liberally construed for the accomplishment of this purpose.

111.32 Definitions. When used in this chapter:

(1) The term "labor organization" shall include any collective bargaining unit composed of employes.

(2) The term "employes" shall not include any individual employed by his parents, spouse, or child.

(3) The term "employer" shall not include a social club, fraternal or religious association not organized for private profit.

(4) The term "Commission" means the industrial commission of the state of Wisconsin.

(5) (a) The term "discrimination" means discrimination because of age, race, color, sex, creed, national origin or ancestry, by an employer individually or in concert with others against any employe or any applicant for employment in regard to his hire, tenure or term, conditions or privilege of employment, and by any labor organization against any member or applicant for membership, and also includes discrimination on any of said grounds in the fields of housing, recreation, education, health and social welfare.

(b) It is discrimination because of age:

1. For an employer, labor organization, or person in the fields of housing, recreation, education, health and social welfare, or any licensing agency, because an individual is between the ages of 40 and 65, to refuse to hire, employ, admit, or license, or to bar or to terminate from employment such individual, or to discriminate against such individual in promotion, compensation or in terms, conditions or privileges of employment;

2. For any employer, licensing agency or employment agency to print or circulate or cause to be printed or circulated any statement, advertisement or publication, or to use any form of application for employment or to make any inquiry in connection with prospective employment, which implies or expresses any limitation, specification or discrimination respecting individuals between the ages of 40 and 65, or any intent to make such limitation, specification or discrimination.

3. For any employer, licensing agency or employment agency to discharge or otherwise discriminate against any person because he has opposed any discriminatory practices under this section or because he has made a complaint, testified or assisted in any proceeding under this section.

(c) Nothing in this subsection shall be construed to prevent termination of the employment of any person physically or otherwise unable to perform his duties, nor to affect any retirement policy or system of any employer where such policy or system is not a subterfuge to evade the purposes of this subsection, nor to preclude the varying of insurance coverage according to an employe's age; nor to prevent the exercise of an age distinction with respect to employment of persons in capacities in which the knowledge and experience to be gained might reasonably be expected to aid in the development of capabilities required for future advancement to supervisory, managerial, professional or executive positions.

(d) Exceptions in sex discrimination. The prohibition against discrimination because of sex does not apply to the exclusive employment of one sex in positions where the nature of the work or working conditions provide valid reasons for hiring only men or women, or to a differential in pay between employes which is based in good faith on any factor other than sex.

(e) Exception in age discrimination. The prohibition against discrimination because of age shall not apply to hazardous occupations including, without limitation because of enumeration, law enforcement or fire fighting.

111.33 Industrial Commission To Administer. Sections 111.31 to 111.38 shall be administered by the industrial commission. The commission shall have authority from time to time to make, amend and rescind such rules

and regulations as may be necessary to carry out this chapter. The commission may, by one or more of its members, or by such agents or agencies as it may designate, conduct in any part of this state any proceeding, hearing, investigation, or inquiry necessary to the performance of its functions. The commission shall at the end of every year make a report in writing to the government, stating in detail the work it has done and its recommendations, if any.

111.34 Advisory Committee. The governor shall appoint an advisory committee consisting of 7 members. Two shall be representatives of labor organizations, one to be chosen from each of the 2 major labor organizations of the state, 2 members shall be representatives of business and industrial management, and the remaining 3 members shall be representative of the public at large. The term of members shall be for 3 years. The members of the committee shall elect their own chairman. The commission may refer to such committee for study and advice on any matter relating to fair employment. Such committee shall give consideration to the practical operation and application of this chapter and may report to the proper legislative committee its view on any pending bill relating to the subject matter of this chapter. Members of the committee shall receive no salary or compensation for services on said committee, but shall be entitled to reimbursement for necessary expenses.

111.35 Investigation and Study of Discrimination. The commission shall:

(1) Investigate the existence, character, causes and extent of discrimination in this state and the extent to which the same is susceptible of elimination.

(2) Study the best and most practicable ways of eliminating any discrimination found to exist, and formulate plans for the elimination thereof by education or other practicable means.

(3) Publish and disseminate reports embodying its findings and the results of its investigations and studies relating to discrimination and ways and means of reducing or eliminating it.

(4) Confer, co-operate with and furnish technical assistance to employers, labor unions, educational institutions and other public or private agencies in formulating programs, educational and otherwise, for the elimination of discrimination.

(5) Make specific and detailed recommendations to the interested parties as to the methods of eliminating discrimination.

(6) Transmit to the legislature from time to time, recommendations for any legislation which may be deemed desirable in the light of the commission's findings as to the existence, character and causes of any discrimination.

111.36 Commission Powers. (1) The commission may receive and investigate complaints charging discrimination or discriminatory practices in particular cases, and give publicity to its findings with respect thereto.

(2) In carrying out the provisions of this subchapter the commission and its duly authorized agents are empowered to hold hearings, subpoena witnesses, take testimony and make investigations in the manner provided in chapter 101. The commission or its duly authorized agents may privilege witnesses testifying before them under the provisions of this subchapter against self-incrimination.

(3) If the commission finds probable cause to believe that any discrimination as defined in this subchapter has been or is being committed, it shall immediately endeavor to eliminate the practice by conference, conciliation or persuasion. In case of failure so to eliminate the discrimination, the commission shall issue and serve a written notice of hearing, specifying the nature of the discrimination which appears to have been committed, and requiring the person named, hereinafter called the "respondent" to answer the complaint at a hearing before the commission. The notice shall specify a time of hearing not less than 10 days after service of the complaint, and a place of hearing within either the county of the respondent's residence or the county in which the discrimination appears to have occurred. The testimony at the hearing shall be taken down by a reporter appointed by the commission. If, after hearing, the commission finds that the respondent has engaged in discrimination, the commission shall make written findings and recommend such action by the respondent as will effectuate the purpose of this subchapter and shall serve a certified copy of the findings and recommendations on the respondent together with an order requiring the respondent to comply with the recommendations, the order to have the same force as other orders of the commission and be enforced as provided in ch. 101. Any person aggrieved by noncompliance with the order shall be entitled to have the same enforced specifically by suit in equity. If the commission finds that the respondent has not engaged in discrimination as alleged in the complaint, it shall serve a certified copy of its findings on the complainant together with an order dismissing the complaint.

(4) It is unlawful for any organization or person referred to in s. 111.32 (1), (2) and (3) or for any employment agency which undertakes to procure employes or opportunities to work, to engage in any discrimination pursuant to this subchapter.

(5) If an order issued under sub. (3) is unenforceable against any labor organization in which membership is a privilege, the employer with whom such labor organization has an all-union shop agreement shall not be held accountable under this chapter, when such employer is not responsible for the discrimination.

111.37 Judicial Review. Findings and orders of the Commission under this subchapter shall be subject to review under ch. 227.

Union negotiations in recent years have concentrated on fringe benefits and job security. In the area of fringe benefits, not only has the magnitude of the benefits continued to swell but new ground has been broken. Health programs now cover mental health, dental and vision care and drug costs.

The new areas of coverage have been added even as existing programs have been liberalized. The improvements include more hospital days covered under Blue Cross or insurance contracts, increased fee schedules under Blue Shield or cash indemnity surgical insurance, the extension of health insurance to cover doctor bills and catastrophic illness, liberalized benefit formulas for retirement and disability under pension plans.

Some sense of the scope of fringe benefits may be gained when it is realized they have been growing by about $1 billion annually in recent years. According to Social Security Administration estimates, total employer and employe contributions under fringe benefit plans rose from $7 billion in 1954 to $15.6 billion in 1963.

But if labor has had extraordinary success in the past 20 years in raising such great sums for health benefits, it has fared less well in winning full value for the health care dollar.

For experience has revealed such practices as unnecessary hospitalization, unnecessary surgery and inefficient use of expensive doctor time and of diagnostic and therapeutic equipment.

As a strong case in point, a recent medical audit disclosed that 98 percent of the operations for tonsils and adenoids at a community hospital were medically unjustified; 50 percent of the hysterectomies were unnecessary. This audit by the School of Public Health of the University of California at Los Angeles has been confirmed by impartial studies elsewhere.

Thus serious questions are raised about the quality of health care being negotiated.

As health benefit coverage has spread, it has become increasingly clearer that the fee-for-service method of payment has stimulated quantity rather than quality care.

Clear criteria should be applied by unions, therefore, especially in view of the extension of benefits to the new areas of mental health, dental, vision and drug care.

The criteria could include these main points:

- Does the method of financing efficiently meet the needs of those covered or does it "distort" the pattern of services and waste funds?
- Does the program provide complete benefits, including preventive care as well as treatment for illness?
- Are the services integrated so that care is based on the interrelationship of the different disciplines of psychiatry, dentistry, optometry and pharmacology?
- Are the services easily accessible to the membership?

What Is Insurance?

The word "insurance" is used differently in different contexts. There is social insurance, which is the principle of making a series of small payments when you are well and earning money and then getting back a large sum when needed because of some emergency such as sickness, unemployment or retirement. There are the principles of commercial insurance, which place emphasis on covering catastrophic-type risks which can be precisely defined and which are beyond

COLLECTIVE BARGAINING *Report*

Prepared by Department of Social Security
Reprinted from September 1965
AFL-CIO AMERICAN FEDERATIONIST

the control of the insured. The principles of commercial insurance require that both the occurrence of the risk and its cost will not substantially increase because of the fact that the risk is insured. Blue Cross and Blue Shield, as well as the private carriers, are all examples of financial mechanisms which conform to the principles of commercial insurance.

Not sufficiently well understood is that the financial mechanism of commercial insurance can cause a massive distortion in the distribution of medical and professional services in the direction of over-use of covered definable "risks" as against uncovered and undefinable services. The result is a "bias" in favor of hospitalization and surgery, together with under-coverage and under-use of preventive care, nursing home and home nursing care and other out-patient services. This is a very inefficient use of the health care dollar.

Commercial insurance causes a distortion of medical services to fit the concepts of "insurable risk" rather than having the financial mechanism fit the needs of people for medical services.

However, there are other financial mechanisms. Taxation is one. Another financial mechanism is prepayment. How is prepayment different from commercial insurance? Prepayment differs from insurance in that the union or group of consumers contracts directly with the providers of service. The physicians, psychiatrists, dentists, optometrists or pharmacists contract to render such services as are necessary for a sum of money deemed sufficient to cover their expenses. It should be noted that under this arrangement no definitions of service are necessary. Moreover, no third party is required either. A third party may be utilized for some administrative services as a matter of convenience, but it is not necessary. Therefore, there need be no claims, no claim processing or other overhead expenses not connected with providing the health services.

Of particular importance is that this arrangement is not possible where those providing the professional services insist upon payment from the patient on a fee-for-service basis. If the cost is prepaid, there cannot be a fee paid for each service as well. The professional staff under a direct service prepayment program must, therefore, be paid under some other method of remuneration. Payment is usually by salary or by the "capitation" method. The latter method reimburses the professional according to the number of people he treats—not by the number of services.

Insurance and the New Programs

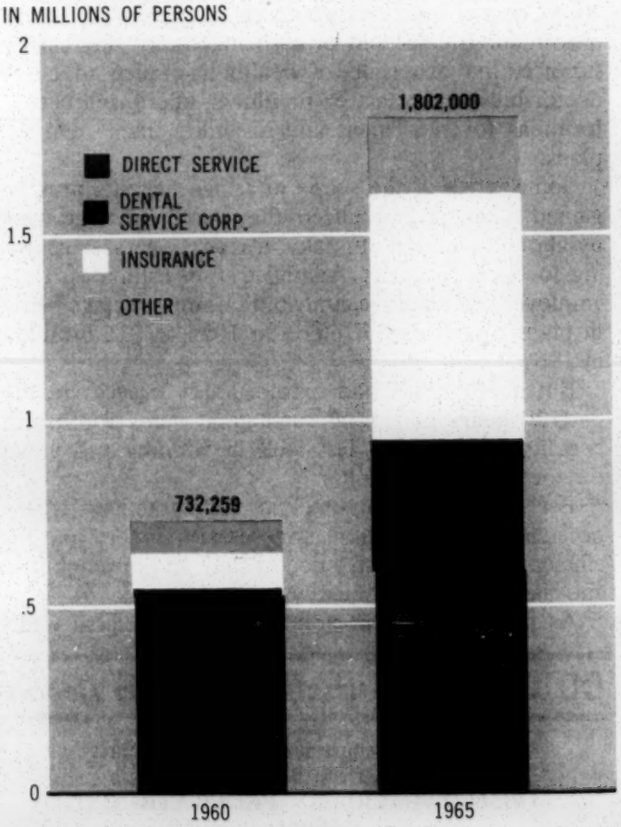
None of the dental, drug, vision and mental health programs fit the commercial insurance concept of "insurable risk." Take dental, drug and vision benefits, for example. Expenditures for these services are not catastrophic in nature. They tend to be rather routine. They may be burdensome in the case of a person with a chronic disease who has a continuing need for drugs, but the need is not sudden or unexpected.

For dental care, the cost of prevention is less than the cost of treatment. But going to the dentist for routine examinations and early detection of cavities is completely under the control of the person seeking care and is, therefore, not insurable under the concept of commercial insurance. Vision care requires a periodic eye examination and the fitting of prescribed lenses to correct vision defect; again, a service completely under the control of the patient.

It might appear, at first look, that mental illness could fit the concept of "insurable risk" since insanity certainly is catastrophic—both financially and sociologically. However, in the case of mental illness, the problem is primarily one of definition. Unless the insurance carrier can define the risk, he cannot price the coverage. Mental illness runs the gamut from being just "different" to being psychotic. No psychologist or psychiatrist has ever been able to draw a fine line between the various categories of mental illness. Neither are the methods of treatment well defined. Too little is known concerning the effectiveness of one method of treatment as against another.

Nothing could be more detrimental to the future development of economical and effective methods of treatment than to provide commercial insurance coverage for only a limited spectrum of the need, for in such

THE RISE IN DENTAL PREPAYMENT COVERAGE
Coverage by Type of Plan, 1960-65



Source: U. S. Public Health Service.

cases the insured portion of services would be utilized to the neglect of the uninsured services.

A sound view is taken by the National Institute of Mental Health which states that, in the new comprehensive community health centers, "Patients will no longer be fitted into a treatment pattern, but rather the treatment will be individually tailored to the patient's needs, as he progresses from early diagnosis through a continuity of treatment and back to a productive life in his community."

The various mental health, dental, drug and vision programs that have been developed through collective bargaining reflect these problems.

1. Dental Care Programs

Dental prepayment programs are now growing very rapidly. The number of persons covered as of 1965 is now approaching 2 million, according to the U.S. Public Health Service. Coverage has more than doubled since 1960. Labor is the major force exerting pressure to extend dental care benefits.

In reviewing the progress in dental prepayment programs, one significant fact stands out. Left to their own initiative, unions established a pattern of direct service plans and either employed their own dentists or contracted with a dentist or dental group for services. In 1960, for example, more than three out of every four people covered by prepaid dental plans received benefits from direct service programs. Most of the growth in coverage since 1960 has been in Dental Service Corporation and commercial insurance plans. Now the number of people covered under third party arrangements exceed the number under direct service.

Affiliates of a substantial number of international unions are providing direct service dental care benefits. Of special interest, however, is where dental care is included as one of the services of a union or community health center. Locals of the Clothing Workers, Laborers and Meat Cutters have integrated programs in some locations. The community-wide comprehensive health plans do not generally include dental care as part of their programs. Group Health Association in Washington, D. C., recently offered its membership a dental plan for children, but enrollment is on an individual basis and coverage is at extra cost.

Dental Service Corporations

The first Dental Service Corporation was organized by the Washington State Dental Society in 1954. The Dental Service Corporation, like its counterpart in medicine, Blue Shield, is a non-profit corporation organized and controlled by the profession. Most of the governing boards of the Dental Service Corporations are comprised only of dentists.

As of January 1, 1965, dental service corporations had been established in 23 states and enabling legislation had been passed in an additional eight states. Only nine of these dentist-sponsored plans are in active operation, however, and enrollment to date is highly concentrated in two states: California and New York. Other states with active plans include Colorado, Connecticut, Hawaii, Michigan, Ohio, Oregon and Washington.

The active Dental Service Corporations currently enroll only groups. Their contracts are experience-rated. Dental services are provided by participating dentists who sometimes are and sometimes are not required to accept a fee schedule in full payment for services rendered to subscribers. Dentists in the DSC programs receive payments on a fee-for-service basis.

A step forward in comparison to Blue Shield is that most, if not all, of the active Dental Service Corporation plans are policing the quality of care. This is accomplished through a system of spot audits where the charts, X-rays and dental records are reviewed by a committee of dentists for adequacy and quality of the work performed. The advantage of professional control over the quality of care is an important advantage that the Dental Service Corporation has over a commercial insurance indemnity policy.

Without consumer representation, the Dental Service Corporation plans can hardly be expected to effectively control dental fees. It is for this reason that the AFL-CIO negotiated an understanding with the American Dental Association which incorporated as one of ten principles that the governing boards of dental prepayment plans should include consumer and public representatives.

The largest group contract with a Dental Service Corporation was negotiated by the Machinists and Aerospace Workers with the Aerojet-General Corporation in 1963. About 35,000 members and 81,000 dependents are included in the program, which now covers most dental expenses, except orthodontics, with a lifetime $25 deductible per patient and with 20 percent co-insurance.

Dental Insurance Contracts

About a dozen commercial insurance companies have contracts providing coverage for dental care. Except for the Aetna Life Insurance Company and the Continental Casualty Company, however, most of the carriers have only one contract. In addition, a specialized non-profit dental insurance corporation, the Group Health Dental Insurance, Inc., is offering dental insurance to labor and to other groups in New York State as well as to individuals.

Some of the union trust funds pay indemnity benefits directly from the health and welfare fund. Involved

in such self-administered indemnity plans are the Bakery and Confectionery Workers, the Distillery Workers, the International Brotherhood of Electrical Workers, the Retail, Wholesale and Department Store Union and the Retail Clerks.

Worthy of special mention are several "dual choice" programs. In these, members of the union are given a choice of receiving dental care from a direct service clinic operated by or under contract with the union or receiving their care from a private dentist. In the latter case, the fee-for-service dentist may be reimbursed through a Dental Service Corporation, through an insurance company or through indemnity payments by the health and welfare fund. Several locals of the Retail Clerks in California have dual choice programs.

2. Psychiatric Programs

Coverage for mental illness under traditional Blue Cross, Blue Shield and commercial health insurance has been increasing.

However, such coverage is usually surrounded by more restrictions than for physical illness. For example, a Blue Cross certificate covering 90 days of hospitalization for a physical disability may only cover 21 days for a mental disability. Coverage for out-patient treatment is typically surrounded by restrictions and limitations either in the form of days of care, number of visits, dollar maximums or method of treatment. A major medical policy which pays 80 percent of medical expenses (after a deductible) for physical illness may only pay 50 percent for mental illness, with a maximum of 50 psychiatric visits per year limited to $20 of covered expense per visit. Many Blue Cross and commercial insurance contracts will only pay benefits for electro-shock or other narrowly "defined" methods of treatment.

In spite of increased pressure by unions to provide insurance coverage for mental as well as physical conditions, insurance companies so far have exhibited little enthusiasm in extending this form of coverage except under major medical. The principal reason for this reluctance is that they are having difficulty in fitting mental illness into the traditional commercial insurance mold of "insurable risk."

Experience with major medical coverage for mental and nervous conditions underscores the inappropriateness of this mechanism for financing mental health services. The deductible and co-insurance features in these policies effectively deter the average member from using the services at all! They effectively provide a barrier to early diagnosis and treatment.

Even where the benefit is used, it is used wastefully. When care is needed, the member typically goes to a psychiatrist for treatment on a single patient to single doctor basis, which costs (at minimum rates) about $25 per hour.

If the day ever comes when going to a doctor for a mental condition is as accepted as going to a doctor for a physical condition, there would not be enough psychiatrists to meet the need on a face-to-face basis. Surveys indicate that from 10 to 23 percent of the population have mental symptoms severe enough to need treatment. However, only about one out of ten people in need of treatment actually seeks it. If people were successfully educated to seek treatment when they need it, the cost of such insurance would be prohibitive under traditional treatment methods. If utilization is discouraged by deductibles, co-insurance, limitations, definitions and maximums, it is of little value to the membership.

It is worthy of mention that union experience with deductibles and co-insurance is that they are a more effective deterrent to lower paid workers than to highly paid professional and managerial employes. The $25 psychiatric visit still costs $12.50 under major medical, assuming 50 percent co-insurance, after the deductible has been met. This is no small sum for people of moderate means.

Recent studies by Dr. Robert Reiff and Dr. Frank Riessman, who have been associated with the mental health program of the National Institute of Labor Education, indicate face-to-face introspective therapy is a therapeutic technique not particularly suited to the needs of many people afflicted with mental illness. As stated by Dr. Reiff:

"Treatment methods which place heavy reliance on the use of some form of social interaction . . . as a technique of treatment, rather than on individual face-to-face psychotherapy, appear to be more effective . . ." with some groups.

"We have in mind such techniques as group therapy of various kinds, role playing, family treatment and work therapy programs."

Direct Service Mental Health Programs

At least some locals of most AFL-CIO unions probably are involved with mental illness benefits with either the "Blues" or the "commercials." However, several very significant direct service mental health programs have been sponsored by AFL-CIO unions.

Under the stimulus of the Federal Employes Health Benefits Act and of the mental health benefits provided by the Auto Worker contracts, the comprehensive plans such as Kaiser Permanente and the Health Insurance Plan of Greater New York are planning programs to supplement their physical health services.

Group Health Association of Washington, D. C.,

provides diagnosis and short-term therapy for its subscribers, who include the AFL-CIO headquarters staff and Local 689 of the Amalgamated Transit Union. Both are dual choice plans.

One of the best mental health programs in the country is that of Local 770 of the Retail Clerks in Los Angeles, undertaken in cooperation with the Southern Permanente Group (Kaiser Plan). Psychiatric services are rendered at several centers which are open day and night. The union's welfare fund contracts for the service on a prepaid basis and the membership is encouraged to use the plan through the union's official journal and education program.

Originally, cases in Local 770 were accepted on referral by the member's personal physician. This restriction has since been eliminated. A member now can just "drop in" without referral and without any out-of-pocket cost for the first visit. Subsequent visits, if required, are subject to a $2 fee per visit up to a maximum of $20 per month per family. By eliminating the charge for the first visit, the member is encouraged to get "off his chest" anything that is bothering him, whether it be that he can't get along with his wife or junior's anti-social behavior or a death in the family.

Any method of treatment is employed which, in the opinion of the psychiatrist, is most appropriate to the needs of the patient. Out-patient treatment techniques include group and family therapy, role playing, drug therapy and work therapy. Sometimes the job is a maior cause of nervous tension and the employer may be contacted to make appropriate modifications in the job situation. Forty-five days of in-hospital care is also included in the plan.

In short, the Retail Clerks' mental health program is built upon four basic principles: 1. immediate service (no waiting lists); 2. continuity of care; 3. flexibility of treatment approaches and methods; 4. comprehensiveness of care. Face-to-face therapy is provided when deemed appropriate, but by stressing early treatment the more expensive therapeutic methods have been minimized. The important thing is that such a full range of services can only be made available through a unified clinical and administrative program. This comprehensive mental health program is financed by a 2 cents per hour employer contribution to the health and welfare fund and by a $2 per visit fee.

Another exciting direct service program which provides comprehensive out-patient mental health services is the Eleanor Roosevelt Union Health Guidance Center in Chicago. This project was initiated by the Labor Education Division of Roosevelt University, supported by a federal grant from the National Institute of Mental Health and arranged in cooperation with union health centers sponsored by affiliates of four international unions. They are the Building Service Employes, the Clothing Workers, the Ladies' Garment Workers and the Meat Cutters.

This program places emphasis on new treatment methods designed to keep the patient on his job, with his family and in the community. This helps avoid the stigma all too often associated with people who have had to be institutionalized. Another goal is to educate the members to overcome their resistance to seeking early treatment.

The Sidney Hillman Health Center of the Amalgamated Clothing Workers recently started a direct service mental health program. The goal is to assure the availability of the entire spectrum of mental health services to the membership. Treatment is available during all daytime hours and at least two evenings a week. Special emphasis will be placed on the appropriate role of the union and of community mental health and rehabilitation facilities in providing comprehensive services. Toward this objective, the health center has contracted with the Mt. Sinai and Maimonides Hospitals for hospital and evening clinic services.

One feature of the program is the involvement of so-called "indigenous" non-professionals in treatment. Union officials and shop chairmen try to maintain or reintegrate emotionally ill workers on the job.

The most recent significant gain in mental health coverage for union members resulted from the contracts negotiated last year by the United Auto Workers. The UAW agreements with Ford, Chrysler and General Motors, as well as with other employers, provide mental health benefits as follows:

1. 45 days of in-hospital treatment (including treatment in a night care center).
2. A maximum of $400 per patient per calendar year for any of the following out-patient services:
   - Psychiatric office visits for treatment.
   - Treatment in an approved out-patient or day care program.
   - Visits by members of the patient's family for counseling service in either the doctor's office or approved out-patient facility.
   - Group psychotherapy in the doctor's office or in an approved facility.
   - Electro-shock therapy in an approved facility.
   - Psychological testing when prescribed by a physician.

While these benefits are quite broad, payment is made through a third party, primarily Blue Shield. It would therefore appear the UAW program is essentially commercial insurance against the costs of mental illness expenditures, which would normally reimburse private practitioners on a fee-for-service basis. In such case, most Auto Workers needing care could be expected to go to a private psychiatrist for face-to-face treatment.

Unfortunately, most of the publicity in regard to the UAW program has emphasized the benefits without regard to how the benefits are to be provided. What has gone unpublicized is that the agreement also provides that the carriers, the employers and the UAW are pledged to work in cooperation to make such arrangements as are feasible to provide these benefits on a direct service basis. The benefits are to be provided, where possible, through such organized settings as the

comprehensive group practice prepayment health programs, including the Community Health Association in Detroit, Kaiser Permanente on the West Coast and others, or through the community mental health centers as have been authorized by the Community Mental Health Centers Act of 1963.

The benefits are underwritten by a third party as a matter of convenience, because such direct service arrangements cannot be implemented simultaneously throughout the country for all UAW members. In short, it is a dual choice program.

Community Mental Health Centers

The Community Mental Health Centers Act as passed in 1963 provided money only for mental health centers. However, the law was amended this year to include funds for the initial staffing of the centers. The federal matching grants are made available to the states as their plans are approved by the U.S. Public Health Service. To date, 17 states have submitted plans, of which three have been approved and 14 are in various stages of approval. The three approved plans are for Kansas, Minnesota and Missouri.

When fully developed, the comprehensive community health centers will offer a broad range of services, including: (1) diagnosis, (2) out-patient as well as in-patient treatment, (3) partial hospitalization, including day, night and weekend care, (4) rehabilitative services, (5) both pre- and post-mental hospital care, including foster home placement, home visiting and half way houses and (6) training programs.

The legislation also provides grants to the states for planning. Additional funds are made available for the construction of facilities for the care and treatment of the mentally retarded.

As the state programs are developed and the facilities constructed and staffed, organized labor will have an unparalleled opportunity to develop direct service programs in cooperation with the emerging mental health centers. The Clothing Workers' program in New York may be able to provide useful guidelines as to how unions can utilize and supplement community mental health services.

3. Vision Care Programs

A number of unions have negotiated some type of coverage for eye care. Typically, the benefits are financed by employer contributions to a health and welfare trust fund. A rather broad range of programs have been developed. In some, arrangements have been made with one or more optometrists to provide eye examinations and glasses at a discount. As such, these are discount rather than prepayment plans.

Among the prepayment plans, coverage varies considerably. Some programs provide eye examinations on either a direct service (contract) or fee-for-service basis, leaving the actual purchase of lenses and frames up to the member. Some programs cover eye examinations and the lenses, but not the frames. Some cover the lenses and also prepay for the frames up to a stipulated amount.

The comprehensive health plans, as well as most of the union health centers, usually provide not only eye examinations but also the services of an ophthalmologist—a medical specialist in the treatment of eye disease—as an integral part of the health program. The purchase price of glasses (lenses and frames) are typically up to the member as an out-of-pocket item, but may be provided at a discount. The health plans usually employ one or more optometrists who are under the direction and supervision of an ophthalmologist or of the center's department of ophthalmology.

Unions having such direct service programs include those unions now operating a health center, such as the Ladies' Garment Workers, the Clothing Workers, the Hotel and Restaurant Workers, the Retail Clerks, the Longshoremen, the Seafarers, the Maritime Workers, the Meat Cutters, the Building Service Employes and others. The railroad brotherhoods have one of the oldest programs, with vision care one of the services provided through their chain of hospitals.

Numerous other unions receive vision care services through one of the community-wide comprehensive plans, such as Kaiser Permanente, Health Insurance Plan of Greater New York, Community Health Association (Detroit) and Community Health Foundation (Cleveland).

Also of interest are several specialized eye-care centers where vision care is also provided on a direct service basis. One such center was sponsored by the Bucks County Central Labor Council and another by the Lancaster Central Body in Pennsylvania. Both are open to all AFL-CIO affiliates. A similar arrangement, the Union Eye Care in Chicago was sponsored by the Building Service Employes, but is open to all interested unions in the city. About 90 locals participate in the program. The Retail Clerks and Amalgamated Meat Cutters were the sponsors of an eye care center in Cleveland which has open enrollment. There are also direct service eye-care centers in New York, Baltimore, Philadelphia and Detroit.

Vision Service Corporations

Similar in concept to Blue Shield and the Dental Service Corporations are the Vision Service Corporations sponsored by the optometric profession.

These corporations contract with unions or consum-

ers to provide eye examinations, prescribe lenses and reimburse participating optometrists on a fee-for-service basis. The typical VSC contract also prepays a stipulated amount, such as $10, towards the cost of frames.

Vision Service Corporation enabling acts have been passed in 18 states but only three VSCs are actually operating. These are in California, Washington and New York. The California Vision Services, Inc., has signed up locals of the Bricklayers, Laborers, Lithographers, Masters, Mates and Pilots, Photo Engravers, Retail Clerks, Roofers and Sheet Metal Workers. Membership in the Washington VSC is mainly Teamsters; in New York an International Brotherhood of Electrical Workers' local has signed a VSC contract.

Insurance company interest in this field has been minimal. There are only three or four vision programs administered by a commercial carrier. A local of the Retail Clerks has a plan underwritten by the Occidental Insurance Company.

Self-Administered and Discount Programs

Another program that has substantial enrollment is one administered by a professional consulting group. Health and welfare trusts of some 25 international unions contract for vision service from the professional administrator who in turn contracts with some 100 optometrists in private practice to provide the services.

The optometrist is reimbursed on a fee-for-service basis but the fee schedules are substantially below those normally charged by the profession. The participating optometrists agree to accept the fee schedule in full payment for their services and the administrator polices both their performance under the contract as well as the quality of care.

This program has been able to provide family coverage for about 35 cents per month per member. The service includes eye examinations, the lenses and the cost of the less expensive frames.

A number of unions pay indemnity benefits out of a self-administered trust. As there is no risk, a "risk taker" or third party is not necessary if the program is adequately financed and efficiently administered. Unions known to be involved in such self-administered programs include the Laborers, the Iron Workers and the Plumbers.

In Los Angeles, a number of optometrists have sponsored a discount program. This is not, of course, a prepayment plan, but it does provide eye examinations, prescriptions and frames at reduced rates.

4. Drug Programs

If there is a 20th century equivalent to the primitive witch doctor, the successor to the role is most likely to be drugs. It is one of the paradoxes of modern scientific medicine that, through the use of powerful drugs, curative miracles are almost commonplace. Antibiotics have proven effective against many formerly fatal diseases. Effective chemotherapy has been developed for some mental conditions. It is with some reason, therefore, that the lay person attributes almost supernatural powers to drug therapy.

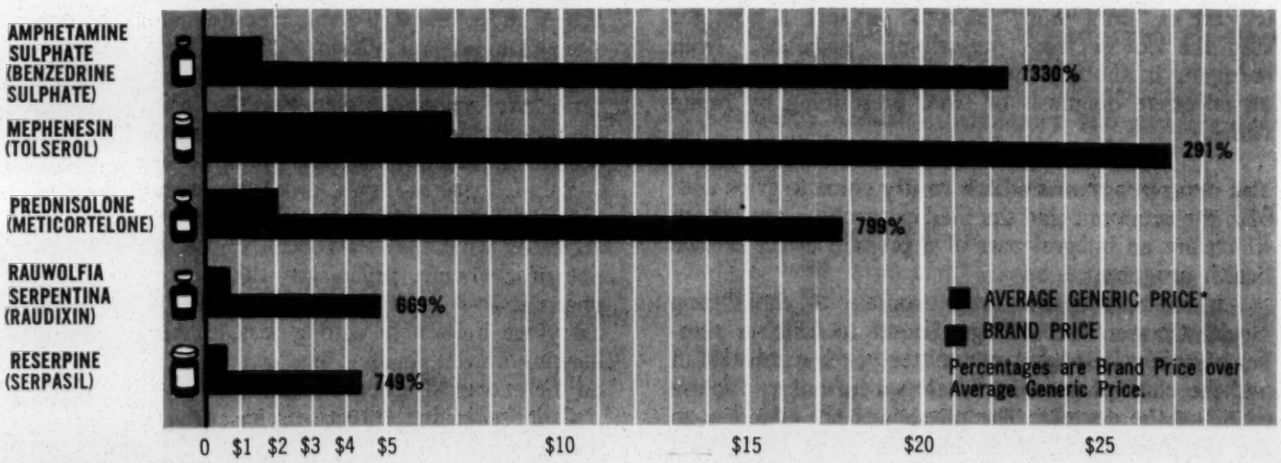
Consumers spend over $1 billion annually on self-administered medication. This includes expenditures for vitamins, pain relievers, tranquilizers, energizers and medication for "iron poor blood" and many other patent medicines.

While many drugs sold over the counter and without a prescription have value in the treatment of a specific condition, their use should be indicated by an appropriate medical diagnosis. There is a vast difference between taking medicine and treating disease. Many patent medicines characteristically act to suppress symptoms rather than provide a cure. As such, their use can be dangerous. To the extent that symptoms are relieved, effective treatment may be postponed.

While commercialization in over-the-counter drugs

PROFITEERING IN DRUGS

Wholesale Prices of Some Drugs Compared by Brand and Generic Names



*Average of 5 representative prices.
Source: U. S. Department of Health, Education, and Welfare.

manipulates the fears and superstitions of the public, commercialism in prescription drugs is just as serious. In this case, the patient can be victimized through his doctor. The large pharmaceutical manufacturers profit greatly when doctors prescribe by brand rather than generic name.

The generic name for a drug is the official name of a drug compound as established by the federal Food, Drug and Cosmetic Act. However, each drug manufacturer may select a trade name under which the company promotes the sale of its product. If the trade name of the drug can be substituted in the doctor's mind for the generic name, price competition can be eliminated. So successful have the major pharmaceutical houses been in "educating" the doctors that, according to the late Senator Estes Kefauver, most doctors prescribe by brand name.

A really effective drug program cannot, therefore, realistically separate the cost problem from the medical problem. *An effective drug program requires medical as well as pharmaceutical controls.*

Medical controls, however, mean more than just restricting benefits to prescribed drugs. Because of commercialism in the marketing of over-the-counter drugs, prepayment would lead to over-utilization of vitamin pills, tranquilizers, pain relievers and such. A common feature of all drug prepayment plans, therefore, is that they limit benefits to prescribed drugs. But this, alone, does not provide either an economical drug program or a medically sound one. Many doctors are as "drug happy" as some patients. It does not stop the doctor from prescribing "placebos," from indulging in shotgun drug therapy in place of making an adequate diagnosis or from prescribing by brand name.

The drug programs which really come to grips with both the economic and the medical problems are those which are an integral part of a prepaid direct service health program.

An example is the drug program of the Group Health Cooperative of Puget Sound, to which a number of unions belong. A committee of the medical staff and the chief pharmacist develop a formulary for use by all of the doctors. The physicians are educated to use this formulary, which includes drugs by generic name whenever possible.

Where brand name drugs are necessary (some brands are protected by patent), the least expensive brand is purchased. The formulary is under continuous review by the committee so that new and effective drugs can be added and superseded drugs eliminated. The committee keeps the entire medical staff up-to-date on the latest results of drug research which may warn of newly discovered side effects or contra-indications. Quite a contrast to education by drug detail men! The cost of the program comes to about 50 cents per person per month.

Group Health Association in Washington, D. C., also covers drugs in its most comprehensive health contract. Its drug benefits have a deductible of $50 per member per year, with 80 percent co-insurance.

The pharmacies associated with the various health centers of the Clothing Workers, the Ladies' Garment Workers, the Hotel and Restaurant Workers, as well as some of the community-based comprehensive plans such as the Community Health Association (Detroit), the Community Foundation (Cleveland), the various Kaiser Foundation plans and others have the advantage of medical controls, but do not attempt to cover drugs in the premium charges. Rather, they sell drugs at a discount, but the discount is often substantial where the doctors are trained in generic prescribing.

In addition to programs operated by or in connection with a medical center, unions have sponsored or are participating in three additional types of drug programs. These are: prepayment plans, with a discount or without a discount; mail order and discount plans; union or consumer-operated pharmacy.

In Summary

It is a principle of good health care, as well as economical care, that the various specialties in medicine and the paramedical professions should be integrated to treat the whole person. Fragmentation of services often means poor care and high cost. One estimate says over $75 million a year is wasted on diagnostic tests in search of the physical causes of what, in fact, turn out to be mental or emotional illnesses.

Thus the proliferation of separate prepayment mechanisms should be cause for concern. This is particularly true for financial arrangements such as the professional Dental and Vision Service Corporations (and Blue Shield) and indemnity insurance, which reimburse professionals either directly or indirectly on a fee-for-service basis. These mechanisms only shuffle dollars and cannot effectively control fees.

Salaried professionals under direct service plans, in contrast, are free to concentrate their talents and energies on what they have been trained for—the practice of medicine, psychiatry, dentistry, optometry or pharmacology. These professionals do not have to carry the burden of setting fees, making collections, keeping books, reading financial reports and carrying on the chores of a health business.

Comprehensive direct service programs are best suited to provide integrated care for the whole person. And this means better care at a lower cost.

WORK INJURY CASES SETTLED

UNDER THE WORKMEN'S COMPENSATION ACT OF WISCONSIN

STATE OF WISCONSIN
DEPT. OF INDUSTRY, LABOR AND HUMAN RELATIONS

COMMISSIONERS

JOSEPH C. FAGAN, CHAIRMAN
GENE A. ROWLAND
EDWARD E. ESTKOWSKI

STEPHEN J. REILLY
EXECUTIVE SECRETARY

SEE P.P. 1-7 FOR ARTICLE BY CHAIRMAN JOSEPH C. FAGAN -- ON "THE INCIDENCE OF PULMONARY DISEASE IN INDUSTRY".

OCCUPATIONAL

DISEASES

1966

STAT. RELEASE 3831

NOVEMBER 1, 1967

State of Wisconsin
Department of
INDUSTRY, LABOR and HUMAN RELATIONS
STATISTICAL DIVISION
Hill Farms State Office Building/Madison

THE INCIDENCE OF PULMONARY DISEASE IN INDUSTRY
as seen by the

State of Wisconsin
Department of Industry, Labor and Human Relations

Joseph C. Fagan, Chairman

Five years ago, the words "pulmonary disease" would have brought to mind such occupational diseases as silicosis, asbestosis, tuberculosis.

Today, we have to consider the broader term "respiratory infections, not elsewhere classified" (now, isn't that an awkward term -- but we're stuck with it for statistical purposes until we can come up with something better), because of our present inability to separate the respiratory infections, caused by the new chemicals and processes, into neat categories. For example, we have the relatively new problem of TDI (toluene diisocyanate) which affects various parts of the respiratory system -- sometimes it strikes the nose and throat, sometimes the bronchial tubes and/or lungs are affected, and sometimes the entire respiratory system is involved.

First, let's consider the older, better known pulmonary diseases. In Wisconsin, the law bringing occupational diseases under our Workmen's Compensation Act became effective in 1919 (the first effective workmen's compensation law in the United States was enacted by the Wisconsin legislature in 1911).

The single most costly occupational disease in Wisconsin has been the pulmonary disease known as silicosis (we include silico-tuberculosis in this category). From 1919 through 1966, over 900 silicosis claims have been adjudged compensable or approved as compromises, with total indemnity and medical expenses of almost seven million dollars.

No claim for silicosis was made until 1921. From 1921 through 1930, 120 claims were presented, an average of only 12 a year. During the next two years, 112 claims were filed. The peak years of 1933 and 1934 saw the number of claims rise from 190 to 321. This last jump in claims can be attributed almost entirely to three things:

First, the depression brought on a large number of claims filed by out-of-work employes who had been exposed to silica and were hopeful of finding some way to raise money. Some attorneys of that day also saw a chance to make a little money by encouraging the filing of silicosis claims. (In fact, some researchers have referred to them as "ambulance chasers" -- being an attorney, myself, I'm sure that only the humanitarian aspects swayed them!)

Secondly, the insurance carriers became alarmed when it became known that the total incurred losses resulting from silicosis claims (as reported by the largest writer of compensation insurance in Wisconsin) rose from one-fifth of one percent of the total of all claims of policies expiring in the year 1930 to ten percent of the total of all claims registered by the policies expiring in the year 1932. This led insurance carriers to insist on medical examinations of the employes of their policyholders, and to refuse to insure if there remained in the employ any one who was found to have any stage of silicosis. Employes so discharged or refused employment usually filed claims for silicosis.

In the third place, the actions of one self-insurer and one insured company added to the number of claims. One of the self-insured iron mining companies became interested in the silicosis problem and had all of its men examined. Where dangerous conditions were found, settlements were made with the workers. Where silicosis was found in incipient stages, minor settlements were made, even though no disability

was present. Many small compromise settlements were thus made to avoid prolonged litigation. One of the insured companies in the metal industry group, before moving out of the state, had all of its men examined for silicosis and encouraged every worker with any stage or symptom of silicosis to file claim against the insurance carrier. As a result, this insurance company paid out over $180,000, mostly in compromise settlements.

By 1935, the number of claims had decreased to 104; in 1936, only 46 claims for disability due to silicosis were brought before the Commission. The bulk of the claims during the years 1931 through 1936 was made up of nonfatal cases, many of them noncompensable. Likewise, the nonfatal compromised cases were very numerous in those years; in many, the disability was very slight and the compromise settlements were frequently for small amounts.

In the years 1921 through 1936, 1,174 formal hearings were held on silicosis cases alone. 750 cases required hearings; 143 did not. The majority of the hearings were held between 1932 and 1936. The noncompensable cases required a higher average number of hearings per case than the compensable or compromised cases.

Many cases were rejected because of a ruling by the Wisconsin Supreme Court that a case was not compensable unless time or wage loss was experienced during the period of employment with the employer against whom the claim was filed. While this undoubtedly brought the cost down, it resulted in meritorious claims being barred. Subsequent amendments to our Act have clarified this point. As the law now reads, "Time of injury, occurrence of injury, or date of injury is the date of the accident which caused the injury, or in the case of disease the last day of work for the last employer whose employment caused disability****."

The spate of silicosis and other occupational disease claims during the depression period, although costly, did create an awareness of occupational diseases. This resulted in substantial efforts to control the known hazards. Plant sanitation and medical check-ups became commonplace. In Wisconsin, we have now reached the point where we stress 90 percent education and only 10 percent enforcement.

The other major pulmonary diseases that crop up in our workmen's compensation statistics are tuberculosis, pneumonia, pneumonitis, asbestosis and pneumoconiosis, not elsewhere classified.

Our statistical history of tuberculosis as an occupational disease goes back to 1919. There have been no significant variations in the number of cases from year to year. Most of the cases have been incurred in hospitals and allied health services. Two hundred claims have been compensated through 1966, with indemnity and medical costs of over $700,000.

For the other four pulmonary diseases referred to above, our statistical history covers the years 1937 through 1966 (unfortunately, data on compromise settlements are not available for any occupational disease for the years 1937 through 1943). The number of cases compensated and total indemnity and medical aid were, respectively: pneumonia, 37 and $32,767; pneumonitis, 19 and $6,319; asbestosis, 11 and $198,784; pneumoconiosis, not elsewhere classified, 8 and $65,098.

Considering all pulmonary diseases discussed above, the total known number of cases was over 2,000; total known indemnity and medical costs, almost eight million dollars. Silicosis accounted for almost 46 percent of the cases and over 84 percent of the indemnity and medical costs.

The above sounds like a small amount when one considers that in Pennsylvania, where miners disabled by pneumoconiosis are paid from state funds, payments in fiscal 1966 totalled over 27 million dollars.

The State of New York is now "gathering detailed evidence about lung diseases, how they work, and how they affect the lungs, the tissue and the way they function," according to a pamphlet called "The Fight Against Dust Diseases" (issued by the Division of Industrial Hygiene, Morris Kleinfeld, M.D., Director). The following are quotes from this pamphlet:

> "During the past three years, more than 600 workmen have been given lung examinations by the Division's testing program. ***** We use an epidemiological approach. We study all facets of the disease to try and get a natural history of the disease. We attempt to detect and evaluate early changes in lung function -- any early evidence of disability. ***** The lung-testing work of the Division of Industrial Hygiene in Buffalo a couple of years ago was the achievement that sold the men of Local 30 (The International Association of Heat and Frost Insulators and Asbestos Workers, AFL-CIO) on the program. Among fewer than 200 asbestos workers tested at that time, the Division located 19 cases of lung disease. Mr. Dwyer said Local 30 is discussing the possibility of following through on the results of the Syracuse study by establishing a continuing study of its own. The union's primary concern is the health of its men. A continuing lung-testing program in which the men's lungs were tested at intervals would enable the group to discover evidence of illness early."

The common hazards of silica dust and asbestos are pretty well known. However, how many are prepared to measure exposure to crystalline free silica which may be used rather incidentally in an operation at a plant that is not normally considered to be a dusty industry? Silica flour is used, for example, as a filler in some paint mixtures.

Talc and soapstone powders have been found to produce disabling pneumoconiosis in lesser concentrations than dusts made up of silicates, with the result that no more than 20 million particles per cubic foot of air is considered safe. These two materials often have some quartz content, sometimes as much as 20 percent; thus, exposure should be limited to 10 million particles per cubic foot of air.

Exposure to amorphous silica should also be limited to 20 million particles per cubic foot of air. When subjected to a calcining operation, the exposure may have to be limited to 7 million particles per cubic foot of air.

It is not my intention to lecture on threshold limits; the above was mentioned to emphasize the fact that we have a lot to learn yet even about exposure to silica dusts.

Let's change the subject slightly -- what about those repiratory infections, not elsewhere classified by our Statistical Division?

From 1937 through 1966, over 800 cases cost almost a quarter of a million dollars. The majority of the claims arose from contact with toxic and noxious substances, such as dusts and chemicals.

It will be a different story from now on. We have a backlog of unsettled cases which are costing in the millions of dollars -- one self-insured employer, alone, has paid out more than one million dollars. It is almost impossible to pinpoint in every case the exact part of the respiratory system involved; we do know that, in many of the cases, the doctors are seeking to find out the long-term affect on the lungs.

New chemicals and processes have brought about this situation. Silica and asbestos have long been recognized as cripplers and killers; but who, five years ago, would have been prepared to listen to a discussion of epoxy resins, methyl ethyl ketone plasticizers, toluene diisocyanate (and other tongue twisters), in conjunction with pulmonary diseases?

To enlarge on my theme a bit: the incidence of silicosis was traditionally limited to a relatively few industries and occupations -- in fact, in some industries a hacking cough was a sign that a man had a job. The new hazards can be found in almost any industry, in almost any occupational classification -- yes, even in the home. Progress is wonderful, but the exotic new chemicals and powerful new pesticides are endangering the health -- and the lives -- of many of our workers, both on-the-job and off-the-job. As one newspaper article put it: "Some people are really allergic to work -- and it's not their fault."

So, what are we doing about it?

In 1965, we held several conferences on the hazards of exposure to the various chemical processes and epoxy compounds. These meetings were attended by representatives of government, industry and labor. We secured the cooperation of all concerned in our efforts to pursue a medical and preventive approach with the idea of educating the public, industry and labor, without causing hysteria.

For the past few years, an extensive study has been carried out by two doctors from the University of Wisconsin Medical School: Dr. Louis W. Chosy, Instructor of Medicine and Dr. John Rankin, Professor of Medicine. A National Institutes of Health grant supports their research. Working closely with affected Wisconsin employers, they have personally treated several hundred cases involving respiratory conditions resulting from exposure to glues, insulators, adhesives, foam plastics, etc.

As explained by Dr. Chosy, "These resinous compounds have been developed by moedern chemistry. Chemically and simply speaking, scientists developed the new compounds by adding different chemical ingredients to a basic 'polymer' molecule under varying conditions. The materials are highly 'reactive' only while they are first being used. After a glue dries, it is no longer reactive and therefore causes no one any trouble. There are many industrial uses of the new compounds. They are used, for example, in adhesives which can bind metal or effectively encase electrical circuits."

"In almost every case studied," said Dr. Chosy, "the affected persons' ailments were initially diagnosed as sinus trouble, pneumonia, chronic bronchitis, or asthma -- all of which may be side effects of exposure to polymer compounds. With added exposure, respiratory problems may become more severe, resulting in ear infections, sinus inflammation, or bronchial pneumonia. The full range of exposure effects is not completely understood. The best treatment for exposure is to keep away from the compounds. This poses a special problem for the workman whose job requires contact with resinous materials. And complete recovery may require prolonged absence from exposure. And, re-exposure, even after 'recovery' starts the problem over again, often quicker than the first time."

"These polymers may be encountered by the scientist in his electronics lab, the laborer in a lumber mill, the sportsman repairing his fiber glass boat, or even the captive husband painting the house," he said.

What is the answer for the industrial and home users of these products?

"Largely," said Dr. Chosy, "the answer is education in the dangers of indiscriminate use of these adhesives and resinous compounds as well as urging industry to give closer attention to the potential medical problems of their workers. In well-ventilated plants where resinous compounds are used, workers usually are not affected. Contact with these new materials could conceivably become an increasing problem for the man on the street. These compounds are used in a variety of products -- such as epoxy paints, enamels, lacquers and glues -- primarily designed for home use."

Our safety inspectors have also been working closely with some of the employers who have had the misfortune of using a chemical process without understanding the medical problems that would ensue. We have the power of increasing workmen's compensation benefits by 15 percent, which the employer himself must pay, but we prefer to work with the employer to help him solve his problems, rather than shaking a big stick at him. This cooperation has in turn brought about more willingness, on the part of the employer, to dig back into the absence records of his employes to see if their absences were due to colds, or due to new production processes.

Our largest workmen's compensation carrier, Employers Mutual Liability Insurance Company of Wisconsin, has set up an industrial hygiene laboratory equipped with the latest electronic devices used in chemical analysis. To quote, in part, from one of their recent pamphlets:

> "Analytical chemistry has been revolutionized in recent years by the development of instruments which have rendered obsolete the slow, laborious and costly methods of classical quantitative analysis.
>
> "Our new lab has more than $30,000 worth of equipment, including such devices as an atomic absorption spectrophotometer, a gas chromatograph, and a recording ultraviolet spectrophotometer. This equipment enables us to give one or two days service to policyholders on most samples.
>
> "Our senior industrial hygienist collects air samples with a midget impinger, which pulls a measured volume of air through a chemical solution that traps TDI fumes. TDI, an ingredient of the polyurethane foam, can produce respiratory symptoms in very small atmospheric concentrations. He measures the intensity of the dye's color by using a visible light range spectrophotometer, which determines what percent of a beam of light is transmitted by the dye solution. This is an indicator of the concentration of TDI in the solution.
>
> "He uses curves on a graph and a slide rule to convert the percentage given by the spectrophotometer into the concentration of TDI in the air sample. The concentration is expressed in parts per million.
>
> "In the plant's laboratory, he adds certain reagents to the solution through which the air sample passed. If any TDI is present, the chemicals will react to form a blue-red azo dye."

Our workmen's compensation records show that quite a few Wisconsin employers have become aware of the problems of certain new production processes and have corrected the processes. In these plants, the affected workers were given the choice of staying at their old job or transferring to a different part of the plant -- many transferred. Some sought jobs elsewhere, on advice of their physicians. Some are still being paid workmen's compensation. We have had cases where a worker who has transferred to another part of the plant comes in contact with others who are working with the "clean" process -- in lunch rooms, etc. -- and becomes disabled again. Once felled by TDI, some affected workers cannot stand a whiff of it; one such employe has claimed that other workers bring it out on their clothes and back come her old difficulties.

Not enough doctors are aware that these new materials are causing respiratory problems. If a given doctor sees only isolated cases, he is apt to consider his patient's illness as a chronic one, rather than one due to his work.

The most critical problem right now is that millions of workers work for small companies that have neither in-plant services nor an awareness of potential hazards. In the United States, plants that employ less than 500 workers (the kind that usully offer no health services) constitute 98 percent of all working establishments, and employ two-thirds of the working force. Services that a 100,000 - man company can provide may cost a 500 - man company much more per worker. As a result, smaller companies tend to neglect medical services. This is the biggest unsolved problem in occupational health.

The smaller companies have no safety directors, no industrial hygienists. To whom can they turn when they contemplate changing production processes? We are trying to change their thinking of us as an enforcement agency; we urge them to come to us for help. We would far rather pursue preventive measures than wait for our workers to come to us for workmen's compensation.

I'd like to recommend that you all read an article that appeared in the March 1962 issue of the magazine "Occupational Hazards" -- "Chemicals: Danger Looms While Industry Booms." In it is brought out an extremely important point (the entire article is excellent): "What should be included in the labels used for proprietary chemical products?"

At the present time, it is not always possible to determine from the label whether or not a potent sensitizer, a corrosive, a primary irritant, or a harmless substance is included in the product. How much does it mean to the ordinary user to read on a label: "Use in a well-ventilated area." At home, or in a small plant, one would think it enough to open a few windows and place a few fans around. Where is the warning that the products can cause respiratory difficulty or dermatitis?

Unless warnings and precautions are <u>clearly</u> stated on labels, the manufacturers and, under some conditions, the sellers of proprietary chemicals are liable for injuries and property damage that result from their use. However, this means little to the worker who is disabled or fatally injured through improper use of a chemical -- improper use because the label did not state clearly what precautions should be taken.

Unfortunately, too, many chemical producers manufacture formulas for sale through distributors who may ignore labeling requirements. The only answer, as I see it, is to wage a nationwide compaign to establish strict labeling requirements, and then to follow through with strict enforcement.

Where does all this leave us?

For awhile, we thought we had some of our pulmonary disease problems licked. At least, we thought we recognized the hazards. Now we have the challenge of new occupational health hazards, new concepts of considering the whole man, rather than the injured portion of the body. We have had two nondisabling silicosis cases, for instance, in which the original disease has brought on mental illness -- unable to find a job in the only work he knows and unwilling to learn another trade, brooding has brought on mental illness which incapacitates the man entirely.

Some occupational health experts have begun to press for "environmental health" -- an approach designed to cover all the physical and mental stresses affecting the "whole man" on or off the job. Many think that industry's responsibility is far more extensive than thought previously. In the opinion of most experts, job health has improved tremendously since the days of the sweat shops and dust-filled shops. The incidence of some occupational diseases has been drastically reduced.

But, we must face the fact that the potential threat to the health and well-being of our workers has never been greater. Although industry is spending unprecedented amounts of money to protect its employes from all known hazards, today's technological advances are creating problems faster than we can handle them.

This is the challenge that faces us now. We must keep abreast of all new developments; we must find a way to help the smaller plants; we must have better labeling; the toxicity of each new chemical or process must be established before it can be put into use.

TABLE 191.5

COMPENSABLE OCCUPATIONAL DISEASE CASES SETTLED, 1936 - 1966

YEAR	NUMBER OF CASES				INDEMNITY	MEDICAL AID PAID IN CASES ON A FEE BASIS		CASES WITH NO FEE REPORTED-CONTRACT MEDICAL AND OTHER
	TOTAL	KIND OF DISABILITY						
		DEATH & PERMANENT TOTAL	PERMANENT PARTIAL	TEMPORARY		NUMBER OF CASES	AMOUNT	
1936.....	690	21(E)	11	658	$159,133	631	$ 21,612	59
1937.....	753	26(F)	20	707	272,503	701	36,283	52
1938.....	652	13(E)	18	621	169,724	631	34,594	21
1939.....	616	13(D)	5	598	155,435	600	27,346	16
1940.....	674	14(C)	4	656	120,021	650	24,388	24
1941.....	815	16(C)	4	795	157,316	784	38,650	31
1942.....	1,171	16(B)	6	1,149	177,964	1,110	42,749	61
1943.....	1,647	11(A)	13	1,623	150,118	1,538	49,597	109
1944.....	1,689	10(A)	4	1,675	152,086	1,604	56,692	85
1945.....	1,557	8(C)	21	1,528	161,934	1,497	53,912	60
1946.....	1,405	20(C)	12	1,373	277,924	1,359	71,417	46
1947.....	1,575	15(B)	15	1,545	217,089	1,529	71,480	46
1948.....	1,384	11(A)	16	1,357	233,202	1,331	76,366	53
1949.....	1,157	9(C)	11	1,137	217,090	1,116	76,723	41
1950.....	1,087	14(E)	12	1,061	281,422	1,029	66,418	58
1951.....	1,229	15(C)	10	1,204	309,147	1,148	73,341	81
1952.....	1,277	17(B)	14	1,246	344,295	1,191	102,014	86
1953.....	1,260	7	16	1,237	274,913	1,162	110,159	98
1954.....	1,165	9(C)	17	1,139	334,564	1,068	115,788	87
1955.....	1,057	12	19	1,026	308,892	970	107,819	87
1956.....	1,071	9(C)	15	1,047	374,140	977	104,882	94
1957.....	845	8(A)	20	817	302,351	750	99,876	95
1958.....	756	11(A)	30	715	409,495	653	142,592	103
1959.....	738	12(D)	20	706	387,113	673	125,568	65
1960.....	758	10(A)	18	730	365,647	663	111,201	95
1961.....	960	9(H)	159	792	565,097	728	198,278	232
1962.....	823	8(D)	64	751	401,039	698	151,068	125
1963.....	1,044	13(G)	40	991	629,419	937	283,991	107
1964.....	875	16(E)	17	842	549,607	764	144,302	111
1965.....	861	12(H)	47	802	576,203	764	138,993	97
1966.....	981	11(K)	48	922	537,392	886	186,993	95

TABLE 190.26

NUMBER AND BENEFIT COSTS OF COMPENSABLE OCCUPATIONAL DISEASE CASES SETTLED

1962 - 1966

ITEM	1966	1965	1964	1963	1962
NUMBER OF CASES:					
TOTAL - ALL COMPENSABLE CASES SETTLED.....	31,228	27,761	24,128	24,772	22,316
COMPENSABLE OCCUPATIONAL DISEASE CASES SETTLED.....	981	861	875	1,044	823
PERCENT OF TOTAL COMPENSABLE CASES SETTLED.....	3.1	3.1	3.6	4.2	3.7
COMPENSABLE SILICOSIS CASES SETTLED.....	17	12	16	19	11
PERCENT OF COMPENSABLE OCCUPATIONAL DISEASE CASES.....	1.7	1.4	1.8	1.8	1.3
BENEFIT COSTS:					
TOTAL - ALL COMPENSABLE CASES SETTLED.....	$24,179,042	$20,672,062	$18,127,413	$17,973,011	$15,593,147
COMPENSABLE OCCUPATIONAL DISEASE CASES SETTLED.....	746,710	737,021	718,440	937,271	579,107
PERCENT OF TOTAL COMPENSABLE CASES SETTLED.....	3.1	3.6	4.0	5.2	3.7
COMPENSABLE SILICOSIS CASES SETTLED.....	329,010	308,157	345,256	371,745	221,393
PERCENT OF COMPENSABLE OCCUPATIONAL DISEASE CASES.....	44.1	41.8	48.1	39.7	38.2

1/ COVERING INDEMNITY, DEATH BENEFITS AND MEDICAL COSTS ONLY; THE ESTIMATED COST OF CONTRACT MEDICAL CASES IS INCLUDED.

EXPLANATIONS

Healing period = actual time lost from work, due to work injury or occupational disease, counting 6 days to the week.

* * * * *

Compensable time = number of days for which indemnity (workmen's compensation) is due and payable, according to the provisions of the Workmen's Compensation Act of Wisconsin, counting 6 days to the week.

* * * * *

Compensable cases (regular settlements) include all cases, except compromise cases, in which indemnity (workmen's compensation) is due and payable.

* * * * *

Compromise cases include all cases in which a compromise of liability (under the Workmen's Compensation Act of Wisconsin) is made by the employer and the employee. All compromises may be reviewed, set aside, modified or confirmed by the Wisconsin Industry, Labor and Human Relations Commission upon application of either party within one year from the date of the compromise. The amount of the compromise settlement includes both indemnity and medical aid.

* * * * *

nec = not elsewhere classified.

* * * * *

One occupational disease may be found spelled two ways in this release -- pneumoconiosis. Part of the release was typed before it was discovered that the spelling had changed from pneumonoconiosis to pneumoconiosis.

* * * * *

The reader will note that "nec" and "not reported" show up quite frequently in our statistical tables. It is unfortunate, but there are still too many employers who do not report to us the exact chemical, chemical process or other source of occupational disease. In some cases, it is carelessness; in others, lack of precise knowledge on the part of the employer; in still others, an unwillingness to admit the true source, partly due to a fear of adverse publicity.

* * * * *

In the various tables where alphabetic letters are in parentheses after a number, the letter denotes how many permanent total disability cases were included. For example, (A) includes 1 permanent total disability case; (B) includes 2 permanent total disability cases; etc.

TABLE 182.7

LOSS OF HEARING ATTRIBUTED TO PROLONGED EXPOSURE TO EXCESSIVE NOISE

CASES SETTLED UNDER WORKMEN'S COMPENSATION ACT

YEAR	REGULAR SETTLEMENTS						
	TOTAL NUMBER OF CASES	INDEMNITY PAID		MEDICAL AID PAID IN CASES ON A FEE BASIS			CASES WITH NO FEE REPORTED-CONTRACT MEDICAL AND OTHER
		AMOUNT	AVERAGE PER CASE	NUMBER OF CASES	AMOUNT	AVERAGE PER CASE	
1937.....	-	$ -	$ -	-	$ -	$ -	-
1938.....	-	-	-	-	-	-	-
1939.....	1	438	438	1	101	101	-
1940.....	1	32	32	1	24	24	-
1941.....	-	-	-	-	-	-	-
1942.....	-	-	-	-	-	-	-
1943.....	-	-	-	-	-	-	-
1944.....	-	-	-	-	-	-	-
1945.....	1	150	150	1	22	22	-
1946.....	1	998	998	1	39	39	-
1947.....	1	1,995	1,995	-	-	-	1
1948.....	2	3,756	1,878	1	37	37	1
1949.....	-	-	-	-	-	-	-
1950.....	4	11,922	2,981	3	103	34	1
1951.....	2	5,307	2,654	2	168	84	-
1952.....	1	856	856	1	193	193	-
1953.....	-	-	-	-	-	-	-
1954.....	-	-	-	-	-	-	-
1955.....	2	2,218	1,109	2	273	137	-
1956.....	3	9,846	3,282	1	316	316	2
1957.....	7	11,879	1,697	6	280	47	1
1958.....	8	11,238	1,405	2	215	108	6
1959.....	7	8,864	1,266	5	230	46	2
1960.....	9	13,255	1,473	4	203	51	5
1961.....	143	151,355	1,058	-	-	-	143
1962.....	41	57,149	1,394	8	1,627	203	33
1963.....	11	15,956	1,451	3	246	82	8
1964.....	6	10,906	1,818	-	-	-	6
1965.....	20	39,627	1,981	-	-	-	20
1966.....	24	53,108	2,213	-	-	-	24

PERIOD	COMPROMISE SETTLEMENTS 1/				
	TOTAL NUMBER OF COMPROMISE SETTLEMENTS	AMOUNT OF COMPROMISE SETTLEMENTS			
		TOTAL	AVERAGE PER CASE	LOWEST AMOUNT FOR ANY CASE	HIGHEST AMOUNT FOR ANY CASE
JUNE - DEC. 1954.....	49	$113,456	$2,315	$500	$5,476
1955.....	108	247,764	2,294	200	9,000
1956.....	15	32,057	2,137	422	4,538
1957.....	9	9,774	1,086	333	1,776
1958.....	6	2,805	468	200	800
1959.....	7	16,784	2,398	384	5,358
1960.....	9	9,189	1,021	232	1,924
1961.....	12	11,998	1,000	134	1,750
1962.....	10	12,315	1,232	100	2,884
1963.....	15	18,587	1,239	200	3,374
1964.....	22	24,899	1,132	83	3,000
1965.....	12	15,224	1,269	375	2,860
1966.....	8	7,092	887	60	3,321

1/ INDEMNITY, MEDICAL EXPENSE AND OTHER BENEFITS ARE ADDED AND GIVEN AS ONE FIGURE IN COMPROMISE SETTLEMENTS.

TABLE 182.7A

LOSS OF HEARING ATTRIBUTED TO PROLONGED EXPOSURE TO EXCESSIVE NOISE

COMPENSABLE CASES SETTLED, 1962 - 1966
CLASSIFIED BY INDUSTRY

INDUSTRY	TOTAL CASES 1962 - 1966		NUMBER OF CASES SETTLED IN:				
	NUMBER	PERCENT	1966	1965	1964	1963	1962
TOTAL.....	102	100.0	24	20	6	11	41
MANUFACTURING.....	98	96.1	23	20	6	9	40
PAPER MILLS, EXCEPT BUILDING PAPER MILLS....	2	2.0	-	1	-	-	1
TIRES AND INNER TUBES.....	1	1.0	-	-	-	-	1
IRON AND STEEL FOUNDRIES.....	3	2.9	1	1	-	-	1
NONFERROUS FOUNDRIES.....	2	2.0	-	-	1	-	1
MISCELLANEOUS PRIMARY METAL INDUSTRIES.....	59	57.8	13	14	3	5	24
HEATING APPARATUS (EXCEPT ELECTRIC) AND PLUMBING FIXTURES.....	3	2.9	-	-	-	-	3
FABRICATED STRUCTURAL METAL PRODUCTS.....	2	2.0	1	-	-	-	1
ENGINES AND TURBINES.....	4	3.9	-	-	-	3	1
FARM MACHINERY AND EQUIPMENT.....	8	7.8	1	-	1	1	5
CONSTRUCTION, MINING, AND MATERIALS HANDLING MACHINERY AND EQUIPMENT.....	6	5.9	3	2	1	-	-
GENERAL INDUSTRIAL MACHINERY AND EQUIPMENT..	1	1.0	1	-	-	-	-
MOTOR VEHICLES AND MOTOR VEHICLE EQUIPMENT..	7	6.9	3	2	-	-	2
MINING AND QUARRYING DIMENSION STONE.....	1	1.0	-	-	-	-	1
CONSTRUCTION.....	2	2.0	1	-	-	1	-
PLUMBING, HEATING AND AIR CONDITIONING.....	1	1.0	1	-	-	-	-
MASONRY, STONEWORK, TILE SETTING AND PLASTERING.....	1	1.0	-	-	-	1	-
COUNTY GOVERNMENT.....	1	1.0	-	-	-	1	-

TABLE 181.7A

SILICOSIS CASES COMPENSATED IN YEARS 1921 - 1936

CLASSIFIED BY YEAR REPORTED TO INDUSTRIAL COMMISSION 1/

YEAR	TOTAL		COMPROMISE SETTLEMENTS 2/		REGULAR SETTLEMENTS						
					NUMBER OF CASES						
						KIND OF DISABILITY					
	NUMBER OF CASES	INDEMNITY, MEDICAL, FUNERAL EXPENSES PAID	NUMBER OF CASES	AMOUNT OF COMPROMISE	TOTAL	DEATH & PERMANENT TOTAL	PERMANENT PARTIAL	TEMPORARY	INDEMNITY PAID	MEDICAL AID PAID	FUNERAL EXPENSES PAID
TOTAL....	460	$1,398,495	346	$716,491	114	103(B)	6	5	$639,182	$23,637	$19,185
1921.....	1	2,350	1	2,350	-	-	-	-	-	-	-
1922.....	3	17,592	-	-	3	3	-	-	17,134	158	300
1923.....	6	17,063	4	6,054	2	1	-	1	9,246	1,563	200
1924.....	11	42,068	6	15,332	5	4	-	1	24,979	957	800
1925.....	3	16,952	1	3,429	2	2	-	-	12,666	457	400
1926.....	4	21,473	2	1,550	2	2	-	-	19,523	-	400
1927.....	6	38,979	-	-	6	6(A)	-	-	37,152	827	1,000
1928.....	11	60,442	4	13,245	7	7	-	-	43,137	2,860	1,200
1929.....	18	111,499	6	25,571	12	12	-	-	80,612	2,916	2,400
1930.....	20	110,391	5	17,200	15	15	-	-	86,972	3,224	2,995
1931.....	35	176,761	12	39,278	23	17(A)	3	3	126,622	7,711	3,150
1932.....	35	144,514	25	74,395	10	10	-	-	67,086	1,093	1,940
1933.....	112	281,579	99	221,565	13	11	2	-	57,161	853	2,000
1934.....	138	236,028	128	193,221	10	9	1	-	40,669	538	1,600
1935.....	47	92,067	45	85,768	2	2	-	-	5,748	151	400
1936.....	10	28,737	8	17,533	2	2	-	-	10,475	329	400

1/ INCLUDING ONLY THE CASES CLOSED AS OF DECEMBER 31, 1936.

2/ COMPROMISE SETTLEMENTS COVER ALL BENEFITS -- INDEMNITY, MEDICAL AID AND FUNERAL EXPENSE, IF ANY.

(A) INCLUDES 1 PERMANENT TOTAL DISABILITY CASE;
(B) INCLUDES 2 PERMANENT TOTAL DISABILITY CASES.

TABLE 181.7

COMPENSABLE AND COMPROMISE SILICOSIS CASES SETTLED, 1937 - 1966 A/

CLASSIFIED BY YEAR OF SETTLEMENT

YEAR	TOTAL		COMPROMISE SETTLEMENTS 1/		REGULAR SETTLEMENTS								
					NUMBER OF CASES						MEDICAL AID PAID IN CASES ON A FEE BASIS		CASES WITH NO FEE REPORTED-CONTRACT MEDICAL AND OTHER
						KIND OF DISABILITY							
	NUMBER OF CASES	INDEMNITY AND MEDICAL AID PAID	NUMBER OF CASES	AMOUNT OF COMPROMISE	TOTAL	DEATH	PERMANENT TOTAL	PERMANENT PARTIAL	TEMPORARY	INDEMNITY PAID	NUMBER OF CASES	AMOUNT	
TOTAL...	*	$ *	*	$ *	395	195	91	53	56	$4,263,141	288	$651,467	107
1937.....	*	*	*	*	22	11	7	4	-	167,324	13	2,633	9
1938.....	*	*	*	*	14	4	5	5	-	90,357	12	2,156	2
1939.....	*	*	*	*	10	6	3	1	-	72,884	8	3,244	2
1940.....	*	*	*	*	13	8	3	1	1	84,729	9	3,606	4
1941.....	*	*	*	*	8	6	2	-	-	65,754	5	7,345	3
1942.....	*	*	*	*	17	12	2	1	2	113,786	15	7,282	2
1943.....	*	*	*	*	4	4	-	-	-	29,279	4	920	-
1944.....	11	50,365	4	8,170	7	6	1	-	-	35,590	5	6,605	2
1945.....	11	50,646	3	3,600	8	4	3	-	1	43,959	5	3,087	3
1946.....	22	130,156	2	1,500	20	11	3	3	3	118,676	15	9,980	5
1947.....	12	74,241	1	2,000	11	8	2	-	1	67,184	10	5,057	1
1948.....	15	81,984	5	11,364	10	6	1	1	2	64,181	8	6,439	2
1949.....	10	80,333	2	8,500	8	4	2	-	2	70,988	4	845	4
1950.....	15	99,008	3	10,750	12	5	3	-	4	85,706	5	2,552	7
1951.....	19	169,090	4	16,066	15	9	3	-	3	148,752	11	4,272	4
1952.....	16	179,018	1	4,000	15	13	1	-	1	158,323	14	16,695	1
1953.....	10	67,340	4	9,050	6	4	-	-	2	48,521	3	9,769	3
1954.....	23	146,136	7	22,835	16	5	3	1	7	109,755	10	13,546	6
1955.....	17	174,480	-	-	17	12	-	2	3	148,547	15	25,933	2
1956.....	16	213,980	1	2,000	15	6	2	4	3	192,917	13	19,063	2
1957.....	13	148,294	1	3,500	12	6	1	3	2	125,771	7	19,023	5
1958.....	17	244,151	2	5,500	15	8	1	4	2	180,891	14	57,760	1
1959.....	22	339,150	3	6,750	19	8	4	5	2	271,806	16	60,594	3
1960.....	16	227,021	1	500	15	9	1	1	4	202,984	10	23,537	5
1961.....	13	341,693	2	7,814	11	1	8	2	-	246,790	6	87,089	5
1962.....	16	243,606	5	22,429	11	2	4	3	2	167,091	10	54,086	1
1963.....	24	458,315	5	87,462	19	6	5	4	4	269,270	15	101,583	4
1964.....	20	393,169	4	49,239	16	9	4	1	2	314,990	10	28,940	6
1965.....	15	347,837	3	40,805	12	2	7	2	1	294,936	7	12,096	5
1966.....	21	354,505	4	27,375	17	-	10	5	2	271,400	9	55,730	8

A/ INCLUDES SILICOSIS AND SILICO-TUBERCULOSIS CASES.

1/ COMPROMISE CASES INCLUDE ALL CASES IN WHICH A COMPROMISE OF LIABILITY (UNDER THE WORKMEN'S COMPENSATION ACT OF WISCONSIN) IS MADE BY THE EMPLOYER AND EMPLOYEE. ALL COMPROMISES MAY BE REVIEWED, SET ASIDE, MODIFIED OR CONFIRMED BY THE WISCONSIN DEPARTMENT OF INDUSTRY, LABOR AND HUMAN RELATIONS UPON APPLICATION OF EITHER PARTY WITHIN ONE YEAR FROM THE DATE OF COMPROMISE. THE AMOUNT OF SETTLEMENT INCLUDES BOTH INDEMNITY AND MEDICAL AID.

* COMPROMISE DATA ARE NOT AVAILABLE FOR YEARS 1937 THROUGH 1943.

NOTE: THE SMALL AMOUNT OF MEDICAL AID SHOWN FOR CERTAIN YEARS SUGGESTS THAT THE ACTUAL TOTAL AMOUNT OF MEDICAL AID PAID IS NOT ALWAYS REPORTED.

TABLE 192.16

COMPENSABLE SILICOSIS CASES SETTLED, 1962 - 1966 A/

CLASSIFIED BY INDUSTRY AND KIND OF DISABILITY

ITEM	TOTAL CASES 1962 - 1966		NUMBER OF SILICOSIS CASES SETTLED IN:				
	NUMBER	PERCENT	1966	1965	1964	1963	1962
TOTAL SILICOSIS CASES.....	75	100.0	17	12	16	19	11
INDUSTRY OF ORIGIN:							
MANUFACTURING.....	69	92.0	17	11	13	18	10
TIRES AND INNER TUBES.....	2	2.7	-	-	1	1	-
CUT STONE AND STONE PRODUCTS.....	3	4.0	1	1	1	-	-
IRON AND STEEL FOUNDRIES.....	20	26.7	6	4	3	4	3
NONFERROUS FOUNDRIES.....	2	2.7	1	-	-	1	-
HEATING APPARATUS (EXCEPT ELECTRIC) AND PLUMBING FIXTURES.....	22	29.3	2	4	4	8	4
FABRICATED STRUCTURAL METAL PRODUCTS.....	1	1.3	1	-	-	-	-
ENGINES AND TURBINES.....	3	4.0	1	-	1	1	-
FARM MACHINERY AND EQUIPMENT.....	3	4.0	1	1	1	-	-
CONSTRUCTION, MINING, AND MATERIALS HANDLING MACHINERY AND EQUIPMENT.....	2	2.7	1	-	1	-	-
METALWORKING MACHINERY AND EQUIPMENT.....	1	1.3	-	-	1	-	-
SPECIAL INDUSTRY MACHINERY, EXCEPT METALWORKING MACHINERY.....	1	1.3	-	1	-	-	-
GENERAL INDUSTRIAL MACHINERY AND EQUIPMENT	4	5.3	3	-	-	1	-
HOUSEHOLD APPLIANCES.....	2	2.7	-	-	-	1	1
MOTOR VEHICLES AND MOTOR VEHICLE EQUIPMENT	2	2.7	-	-	-	-	2
MUSICAL INSTRUMENTS AND PARTS.....	1	1.3	-	-	-	1	-
MINING AND QUARRYING.....	4	5.3	-	1	1	1	1
IRON ORE.....	3	4.0	-	-	1	1	1
CRUSHED AND BROKEN STONE, INCLUDING RIPRAP	1	1.3	-	1	-	-	-
RETAIL TRADE.....	2	2.7	-	-	2	-	-
MONUMENTS AND TOMBSTONES.....	2	2.7	-	-	2	-	-
KIND OF DISABILITY:							
FATAL CASES.....	19	25.3	-	2	9	6	2
PERMANENT TOTAL DISABILITY CASES.....	30	40.0	10	7	4	5	4
PERMANENT PARTIAL DISABILITY CASES.....	15	20.0	5	2	1	4	3
TEMPORARY DISABILITY CASES.....	11	14.7	2	1	2	4	2

A/ INCLUDES SILICOSIS AND SILICO-TUBERCULOSIS.

TABLE 150.1A

COMPENSABLE AND COMPROMISE TUBERCULOSIS CASES SETTLED 1/

CLASSIFIED BY YEAR DISABILITY BEGAN, 1919 - 1936

YEAR	TOTAL		COMPROMISE SETTLEMENTS		REGULAR SETTLEMENTS				
					NUMBER OF CASES				
						KIND OF DISABILITY			
	NUMBER OF CASES	INDEMNITY AND MEDICAL AID PAID	NUMBER OF CASES	AMOUNT OF COMPROMISE	TOTAL	FATAL	NONFATAL	INDEMNITY PAID	MEDICAL AID PAID
TOTAL.....	48	$104,408	33	$38,473	15	6	9	$54,542	$11,393
1919.....	1	8,877	-	-	1	1	-	6,750	2,127
1920.....	-	-	-	-	-	-	-	-	-
1921.....	2	7,542	1	2,000	1	1	-	5,497	45
1922.....	-	-	-	-	-	-	-	-	-
1923.....	-	-	-	-	-	-	-	-	-
1924.....	4	18,220	2	2,000	2	-	2	15,850	370
1925.....	3	3,150	3	3,150	-	-	-	-	-
1926.....	1	1,550	1	1,550	-	-	-	-	-
1927.....	1	15,735	-	-	1	-	1	10,875	4,860
1928.....	1	3,800	1	3,800	-	-	-	-	-
1929.....	5	4,896	4	3,998	1	-	1	888	10
1930.....	2	2,187	1	200	1	1	-	1,112	875
1931.....	5	9,961	3	1,726	2	2	-	7,295	940
1932.....	7	9,728	6	9,016	1	-	1	412	300
1933.....	5	3,641	4	2,925	1	-	1	716	-
1934.....	4	8,315	3	4,600	1	1	-	3,168	547
1935.....	2	2,390	-	-	2	-	2	1,571	819
1936.....	5	4,416	4	3,508	1	-	1	408	500

1/ INCLUDING ONLY THE CASES SETTLED AS OF DECEMBER 31, 1936.

TABLE 150.1

COMPENSABLE AND COMPROMISE TUBERCULOSIS CASES SETTLED

CLASSIFIED BY YEAR OF SETTLEMENT, 1937 - 1966

YEAR	TOTAL		COMPROMISE SETTLEMENTS		REGULAR SETTLEMENTS							
	NUMBER OF CASES	INDEMNITY AND MEDICAL AID PAID	NUMBER OF CASES	AMOUNT OF COMPROMISE	NUMBER OF CASES				INDEMNITY PAID	MEDICAL AID PAID IN CASES ON A FEE BASIS		CASES WITH NO FEE REPORTED-CONTRACT MEDICAL AND OTHER
					TOTAL	KIND OF DISABILITY						
						DEATH & PERMANENT TOTAL	PERMANENT PARTIAL	TEMPORARY		NUMBER OF CASES	AMOUNT	
TOTAL...	*	$ *	*	$ *	137	14(D)	6	117	$470,221	70	$114,887	67
1937.....	*	*	*	*	6	2(A)	1	3	23,674	4	5,469	2
1938.....	*	*	*	*	3	-	-	3	1,484	3	652	-
1939.....	*	*	*	*	3	-	-	3	4,128	3	449	-
1940.....	*	*	*	*	-	-	-	-	-	-	-	-
1941.....	*	*	*	*	2	2	-	-	19,550	1	833	1
1942.....	*	*	*	*	6	-	-	6	10,243	2	649	4
1943.....	*	*	*	*	5	1	1	3	21,716	2	1,253	3
1944.....	1	319	-	-	1	-	-	1	319	-	-	1
1945.....	-	-	-	-	-	-	-	-	-	-	-	-
1946.....	7	13,658	1	200	6	-	-	6	8,909	2	4,549	4
1947.....	6	13,298	1	132	5	-	-	5	9,281	2	3,885	3
1948.....	13	32,273	3	1,598	10	2	-	8	29,134	6	1,541	4
1949.....	12	47,091	1	625	11	1	-	10	35,211	5	11,255	6
1950.....	10	44,858	-	-	10	2(A)	-	8	42,185	4	2,673	6
1951.....	7	15,455	2	2,434	5	-	-	5	12,897	1	124	4
1952.....	8	30,138	1	613	7	1(A)	-	6	28,563	4	962	3
1953.....	7	33,721	1	500	6	1	-	5	31,874	3	1,347	3
1954.....	9	46,336	-	-	9	-	1	8	41,498	6	4,838	3
1955.....	8	34,387	1	10,000	7	-	-	7	23,535	2	852	5
1956.....	2	6,092	-	-	2	-	-	2	6,092	-	-	2
1957.....	3	19,778	-	-	3	-	-	3	14,019	3	5,759	-
1958.....	5	13,218	-	-	5	1	-	4	13,218	-	-	5
1959.....	6	15,890	1	525	5	-	-	5	15,062	4	303	1
1960.....	3	8,147	1	1,472	2	-	-	2	6,331	1	344	1
1961.....	3	12,391	-	-	3	-	-	3	8,747	2	3,644	1
1962.....	1	4,076	1	4,076	-	-	-	-	-	-	-	-
1963.....	9	89,022	-	-	9	1(A)	1	7	38,396	5	50,626	4
1964.....	4	31,098	1	6,774	3	-	1	2	16,735	3	7,589	-
1965.....	2	8,293	-	-	2	-	-	2	5,834	1	2,459	1
1966.....	1	4,418	-	-	1	-	1	-	1,586	1	2,832	-

(A) INCLUDES 1 PERMANENT TOTAL DISABILITY CASE;
(D) INCLUDES 4 PERMANENT TOTAL DISABILITY CASES.
* COMPROMISE DATA ARE NOT AVAILABLE FOR YEARS 1937 THROUGH 1943.

TABLE 151.1

RESPIRATORY INFECTIONS, NEC.

COMPENSABLE AND COMPROMISE CASES SETTLED, 1937 - 1966

YEAR SETTLED	TOTAL		COMPROMISE SETTLEMENTS		REGULAR SETTLEMENTS							
					NUMBER OF CASES				INDEMNITY PAID	MEDICAL AID PAID IN CASES ON A FEE BASIS		CASES WITH NO FEE REPORTED-CONTRACT MEDICAL AND OTHER
						KIND OF DISABILITY						
	NUMBER OF CASES	INDEMNITY AND MEDICAL AID PAID	NUMBER OF CASES	AMOUNT OF COMPROMISE	TOTAL	DEATH & PERMANENT TOTAL	PERMANENT PARTIAL	TEMPORARY		NUMBER OF CASES	AMOUNT	
TOTAL...	*	$ *	*	$ *	784	2(a)	7	775	$138,313	753	$85,150	31
1937.....	*	*	*	*	3	-	-	3	49	3	47	-
1938.....	*	*	*	*	13	-	-	13	387	13	336	-
1939.....	*	*	*	*	14	-	-	14	979	14	866	-
1940.....	*	*	*	*	16	-	-	16	562	16	1,243	-
1941.....	*	*	*	*	13	-	-	13	368	12	248	1
1942.....	*	*	*	*	15	-	-	15	389	15	386	-
1943.....	*	*	*	*	39	-	-	39	1,761	39	1,159	-
1944.....	26	2,538	5	811	21	-	-	21	1,092	21	635	-
1945.....	30	7,993	1	320	29	1	-	28	6,852	29	821	-
1946.....	19	3,218	3	2,142	16	-	-	16	662	16	414	-
1947.....	32	8,986	2	870	30	-	1	29	6,569	29	1,547	1
1948.....	32	5,880	1	134	31	-	1	30	2,851	30	2,895	1
1949.....	32	27,002	1	110	31	1(a)	-	30	18,290	30	8,602	1
1950.....	36	4,095	-	-	36	-	-	36	1,966	35	2,129	1
1951.....	32	3,826	-	-	32	-	-	32	1,896	32	1,930	-
1952.....	44	12,304	1	1,750	43	-	1	42	5,856	40	4,698	3
1953.....	50	7,965	4	1,912	46	-	1	45	4,173	44	1,880	2
1954.....	35	5,209	-	-	35	-	-	35	2,718	35	2,491	-
1955.....	39	7,152	2	289	37	-	-	37	2,951	36	3,912	1
1956.....	16	6,754	-	-	16	-	-	16	2,928	15	3,826	1
1957.....	29	6,810	3	610	26	-	-	26	3,392	21	2,808	5
1958.....	27	9,176	2	4,846	25	-	-	25	2,652	22	1,678	3
1959.....	26	10,520	2	3,166	24	-	-	24	3,617	23	3,737	1
1960.....	19	15,336	2	1,150	17	-	1	16	11,812	16	2,374	1
1961.....	38	13,158	3	1,605	35	-	1	34	5,727	34	5,826	1
1962.....	13	1,729	-	-	13	-	-	13	1,057	11	672	2
1963.....	38	22,493	1	700	37	-	-	37	12,367	37	9,426	-
1964.....	15	14,465	1	300	14	-	-	14	11,544	12	2,621	2
1965.....	29	20,578	-	-	29	-	-	29	13,494	28	7,084	1
1966.....	51	19,683	3	1,472	48	-	1	47	9,352	45	8,859	3

(a) INCLUDES 1 PERMANENT TOTAL DISABILITY CASE.

* COMPROMISE DATA ARE NOT AVAILABLE FOR THE YEARS 1937 THROUGH 1943.

TABLE 152.1

SELECTED COMPENSABLE AND COMPROMISE OCCUPATIONAL DISEASE CASES SETTLED, 1937 - 1966

CLASSIFIED BY OCCUPATIONAL DISEASE AND YEAR SETTLED

OCCUPATIONAL DISEASE / YEAR	TOTAL		COMPROMISE SETTLEMENTS		REGULAR SETTLEMENTS							
					NUMBER OF CASES				INDEMNITY PAID	MEDICAL AID PAID IN CASES ON A FEE BASIS		CASES WITH NO FEE REPORTED-CONTRACT MEDICAL AND OTHER
						KIND OF DISABILITY						
	NUMBER OF CASES	INDEMNITY AND MEDICAL AID PAID	NUMBER OF CASES	AMOUNT OF COMPROMISE	TOTAL	DEATH & PERMANENT TOTAL	PERMANENT PARTIAL	TEMPORARY		NUMBER OF CASES	AMOUNT	
ASBESTOSIS.....	*	$ *	*	$ *	10	5(c)	5	-	$163,454	10	$14,413	-
1939.....	*	*	*	*	1	1(A)	-	-	17,220	1	308	-
1940.....	*	*	*	*	1	1	-	-	6,487	1	284	-
1956.....	1	29,650	-	-	1	1(A)	-	-	29,575	1	75	-
1958.....	3	46,485	-	-	3	-	3	-	41,204	3	5,281	-
1962.....	1	18,078	-	-	1	1	-	-	17,480	1	598	-
1963.....	2	31,687	-	-	2	-	2	-	28,734	2	2,953	-
1965.....	2	48,585	1	20,917	1	1(A)	-	-	22,754	1	4,914	-
PNEUMONIA.....	*	*	*	*	30	2	-	28	16,524	30	5,792	-
1937.....	*	*	*	*	4	-	-	4	617	4	1,500	-
1938.....	*	*	*	*	3	1	-	2	6,217	3	269	-
1940.....	*	*	*	*	1	-	-	1	252	1	394	-
1941.....	*	*	*	*	3	-	-	3	429	3	242	-
1942.....	*	*	*	*	1	-	-	1	80	1	12	-
1943.....	*	*	*	*	3	-	-	3	412	3	133	-
1944.....	2	111	-	-	2	-	-	2	20	2	91	-
1946.....	2	175	1	84	1	-	-	1	43	1	48	-
1947.....	2	59	2	59	-	-	-	-	-	-	-	-
1950.....	1	180	1	180	-	-	-	-	-	-	-	-
1952.....	1	1,000	1	1,000	-	-	-	-	-	-	-	-
1955.....	2	684	-	-	2	-	-	2	472	2	212	-
1957.....	1	392	-	-	1	-	-	1	118	1	274	-
1959.....	3	883	-	-	3	-	-	3	304	3	579	-
1961.....	2	1,313	1	450	1	-	-	1	357	1	506	-
1963.....	1	8,678	1	8,678	-	-	-	-	-	-	-	-
1964.....	3	2,182	-	-	3	-	-	3	1,180	3	1,002	-
1965.....	1	6,495	-	-	1	1	-	-	6,000	1	495	-
1966.....	1	58	-	-	1	-	-	1	23	1	35	-
PNEUMONITIS.....	*	*	*	*	19	-	-	19	2,762	8	3,557	11
1961.....	4	527	-	-	4	-	-	4	140	4	387	-
1962.....	1	40	-	-	1	-	-	1	40	-	-	1
1963.....	2	320	-	-	2	-	-	2	320	-	-	2
1964.....	9	3,744	-	-	9	-	-	9	1,681	1	2,063	8
1965.....	2	1,589	-	-	2	-	-	2	512	2	1,077	-
1966.....	1	99	-	-	1	-	-	1	69	1	30	-

TABLE 152.1 (CONTINUED)

OCCUPATIONAL DISEASE	TOTAL		COMPROMISE SETTLEMENTS		REGULAR SETTLEMENTS							
					NUMBER OF CASES				INDEMNITY PAID	MEDICAL AID PAID IN CASES ON A FEE BASIS		CASES WITH NO FEE REPORTED-CONTRACT MEDICAL AND OTHER
						KIND OF DISABILITY						
YEAR	NUMBER OF CASES	INDEMNITY AND MEDICAL AID PAID	NUMBER OF CASES	AMOUNT OF COMPROMISE	TOTAL	DEATH & PERMANENT TOTAL	PERMANENT PARTIAL	TEMPORARY		NUMBER OF CASES	AMOUNT	
PNEUMONOCONIOSIS, NEC..	*	$ *	*	$ *	6	1(A)	1	4	$26,066	6	$3,138	-
1963.....	4	38,096	1	33,726	3	-	1	2	3,715	3	655	-
1964.....	1	2,168	1	2,168	-	-	-	-	-	-	-	-
1965.....	1	985	-	-	1	-	-	1	122	1	863	-
1966.....	2	23,849	-	-	2	1(A)	-	1	22,229	2	1,620	-

(A) INCLUDES 1 PERMANENT TOTAL DISABILITY CASE;
(C) INCLUDES 3 PERMANENT TOTAL DISABILITY CASES.

* COMPROMISE DATA ARE NOT AVAILABLE PRIOR TO 1944.

TABLE 195.3

COMPENSABLE OCCUPATIONAL DISEASE CASES SETTLED IN 1966

CLASSIFIED BY NATURE OF INJURY

NATURE OF INJURY	NUMBER OF CASES				HEALING PERIOD (DAYS)	COMPENSABLE TIME (DAYS)	INDEMNITY PAID	MEDICAL AID PAID IN CASES ON A FEE BASIS		CASES WITH NO FEE REPORTED-CONTRACT MEDICAL AND OTHER	NUMBER OF WOMEN
	TOTAL	KIND OF DISABILITY						NUMBER OF CASES	AMOUNT		
		PERMANENT TOTAL	PERMANENT PARTIAL	TEMPORARY							
TOTAL	981	11	48	922	25,667	77,980	$537,392	886	$186,993	95	315
ABSCESS	1	-	-	1	11	11	124	1	35	-	1
ALLERGY, NEC	4	-	-	4	45	42	390	4	621	-	1
AMPUTATION 1/	2	-	2	-	71	188	839	2	492	-	-
ARTHRITIS	2	-	-	2	107	107	1,212	2	444	-	-
ASPHYXIA	5	-	-	5	35	26	266	5	439	-	2
ASTHMA	2	-	-	2	10	4	42	2	331	-	-
BLISTER	14	-	-	14	145	124	1,152	14	1,897	-	4
BOIL	1	-	-	1	30	30	340	1	340	-	-
BRONCHITIS	5	-	-	5	78	72	708	5	936	-	2
BURSITIS	7	-	-	7	87	81	799	7	851	-	1
CAISSON DISEASE	4	-	-	4	30	21	230	4	829	-	-
CALLOSITY	2	-	1	1	88	113	1,135	1	470	1	-
CARBON MONOXIDE POISONING	6	-	-	6	43	28	346	6	712	-	1
CELLULITIS	1	-	-	1	13	13	147	1	78	-	-
CONJUNCTIVITIS	1	-	-	1	5	2	19	1	10	-	-
CYST	3	-	-	3	51	45	454	3	325	-	2
DERMATITIS	446	-	2	444	7,978	7,666	69,313	417	44,196	29	140
DYSENTERY	2	-	-	2	12	6	68	2	108	-	1
EDEMA	1	-	-	1	23	23	134	1	125	-	1
EPICONDYLITIS	2	-	-	2	22	19	216	2	57	-	-
ERYSIPELOTHRIX	1	-	-	1	4	1	11	1	63	-	-
FELON	1	-	-	1	19	19	86	1	85	-	-
FOOD POISONING	1	-	-	1	5	2	23	1	244	-	-
FREEZING, FROSTBITE	17	-	1	16	408	388	3,493	17	2,664	-	-
FRICTION BURN	1	-	-	1	13	13	19	1	102	-	-
FUNGUS INFECTION, NEC	2	-	-	2	105	102	300	1	17	1	1
GANGLION	12	-	-	12	214	211	2,122	12	2,212	-	11
GASTROENTERITIS	1	-	-	1	8	5	57	-	-	1	-
HEAT EXHAUSTION	22	-	-	22	202	160	1,738	21	1,938	1	2
HEMORRHOIDS	1	-	-	1	10	10	68	1	17	-	1
HEPATITIS, INFECTIOUS	13	-	-	13	1,728	1,725	15,375	13	8,024	-	11
HERNIA	2	-	-	2	87	87	928	-	-	2	-
HYDRARTHROSIS	10	-	-	10	234	222	2,283	10	2,584	-	1

TABLE 195.3 (CONTINUED)

NATURE OF INJURY	NUMBER OF CASES				HEALING PERIOD (DAYS)	COMPENSABLE TIME (DAYS)	INDEMNITY PAID	MEDICAL AID PAID IN CASES ON A FEE BASIS		CASES WITH NO FEE REPORTED-CONTRACT MEDICAL AND OTHER	NUMBER OF WOMEN
	TOTAL	KIND OF DISABILITY						NUMBER OF CASES	AMOUNT		
		PERMANENT TOTAL	PERMANENT PARTIAL	TEMPORARY							
IMPETIGO	1	-	-	1	11	11	$ 117	1	$ 17	-	-
INFLAMMATION OR IRRITATION OF JOINTS, TENDONS, MUSCLES, NEC	139	-	5	134	3,223	4,140	37,591	126	17,652	13	65
INFLAMMATION, NEC	24	-	2	22	336	564	4,983	23	5,081	1	3
LEAD POISONING	13	-	-	13	474	468	4,347	13	9,548	-	-
LOSS OF HEARING, OCCUPATIONAL	24	-	24	-	-	7,173	53,108	-	-	24	-
LOSS OF VISION, OCCUPATIONAL	1	-	1	-	-	1,192	8,496	1	176	-	-
MEASLES	1	-	-	1	20	20	227	1	27	-	1
MERCURY POISONING	2	-	-	2	73	70	746	2	1,200	-	1
METHYLCHLORIDE POISONING	1	-	-	1	10	10	107	1	270	-	-
MUMPS	8	-	-	8	80	71	725	6	161	2	8
MUSCLE SPASM, NEC	1	-	-	1	8	5	57	1	25	-	-
MYOSITIS	4	-	-	4	150	147	1,658	3	186	1	3
NEURALGIA	1	-	-	1	13	13	80	1	185	-	1
NEURASTHENIA	2	-	-	2	80	80	898	2	394	-	-
NEURITIS	1	-	-	1	30	30	300	1	20	-	-
PERIONYCHIA	1	-	-	1	4	1	11	-	-	1	-
PHYSICAL EXHAUSTION	1	-	-	1	5	2	23	1	142	-	-
PNEUMONIA	1	-	-	1	5	2	23	1	35	-	-
PNEUMONITIS	1	-	-	1	10	10	69	1	30	-	-
PNEUMONOCONIOSIS, NEC	2	1	-	1	75	2,922	22,229	2	1,620	-	-
PROTRUSION, DISC	2	-	-	2	31	28	315	2	942	-	-
PSITTACOSIS	2	-	-	2	119	119	1,165	2	136	-	1
RADIATION BURN, NEC	23	-	-	23	192	138	1,426	21	915	2	-
RESPIRATORY INFECTION, NEC	34	-	-	34	671	620	5,780	32	4,329	2	12
SALMONELLA	1	-	-	1	30	30	245	1	30	-	1
SCIATICA	1	-	-	1	33	33	148	1	107	-	1
SEPTICEMIA	2	-	1	1	122	242	2,198	2	3,009	-	-
SHIGELLA	1	-	-	1	24	24	272	1	32	-	1
SILICOSIS	12	6	5	1	5,239	29,452	175,299	7	39,613	5	-
SILICO-TUBERCULOSIS	5	4	-	1	1,153	16,998	96,101	2	16,117	3	-
SPUR	1	-	-	1	40	40	453	1	334	-	-
STAPHYLOCOCCUS INFECTION	11	-	2	9	188	225	2,115	11	2,307	-	5
SYNOVITIS	1	-	-	1	11	11	101	1	516	-	-
SYSTEMIC POISONING, NEC	17	-	-	17	175	145	1,558	15	1,966	2	4
TENDONITIS	12	-	-	12	174	159	1,563	11	1,183	1	9
TENOSYNOVITIS	22	-	1	21	484	466	3,997	20	2,269	2	13
TETANUS	1	-	-	1	12	12	126	1	554	-	-
TISSUE DAMAGE, NEC	1	-	-	1	13	13	110	1	217	-	-
TUBERCULOSIS	1	-	1	-	153	453	1,506	1	2,832	-	1
TYPHOID FEVER	2	-	-	2	81	81	472	2	680	-	2
UNDULANT FEVER	5	-	-	5	194	194	2,130	4	690	1	-

1/ IN ONE CASE, ORIGINAL INJURY WAS FROSTBITE; THE OTHER WAS DUE TO CONTACT WITH LUBRICATING OR CUTTING OIL AND GREASE.

TABLE 197.3

COMPENSABLE OCCUPATIONAL DISEASE CASES SETTLED IN 1966

CLASSIFIED BY EXPOSURE TYPE

EXPOSURE TYPE	NUMBER OF CASES				HEALING PERIOD (DAYS)	COMPENSABLE TIME (DAYS)	INDEMNITY PAID	MEDICAL AID PAID IN CASES ON A FEE BASIS		CASES WITH NO FEE REPORTED-CONTRACT MEDICAL AND OTHER	NUMBER OF WOMEN
	TOTAL	KIND OF DISABILITY									
		DEATH & PERMANENT TOTAL	PERMANENT PARTIAL	TEMPORARY				NUMBER OF CASES	AMOUNT		
TOTAL.....	981	11(K)	48	922	25,667	77,980	$537,392	886	$186,993	95	315
CONTACT WITH TEMPERATURE EXTREMES, NEC.	47	-	2	45	836	841	7,323	46	6,207	1	3
ATMOSPHERIC, ENVIRONMENTAL.....	47	-	2	45	836	841	7,323	46	6,207	1	3
BODILY REACTION.....	6	-	-	6	167	155	1,608	6	694	-	1
FROM VOLUNTARY MOTIONS.....	6	-	-	6	167	155	1,608	6	694	-	1
RUBBED, ABRADED, ETC.....	238	-	7	231	5,053	5,914	54,415	217	31,659	21	112
BY REPEATED MOTION.....	168	-	6	162	3,686	4,603	41,268	151	22,102	17	91
BY LEANING, KNEELING, SITTING ON.....	25	-	-	25	588	567	5,883	25	4,620	-	2
BY VIBRATING OBJECT.....	3	-	-	3	27	21	223	3	59	-	1
BY REPEATED FRICTION.....	16	-	1	15	266	276	2,591	16	2,821	-	4
BY REPEATED PRESSURE.....	23	-	-	23	461	428	4,305	19	1,735	4	13
OTHER OR UNSPECIFIED.....	3	-	-	3	25	19	145	3	322	-	1
CONTACT WITH RADIATIONS AND CAUSTICS; TOXIC AND NOXIOUS SUBSTANCES.....	657	11(K)	14	632	19,380	63,561	417,691	608	144,248	49	199
BY INHALATION.....	119	11(K)	7	101	8,220	51,248	311,028	106	80,442	13	21
BY INGESTION.....	1	-	-	1	5	2	23	1	244	-	-
BY ABSORPTION.....	451	-	3	448	8,076	7,799	70,573	422	45,744	29	142
OTHER OR UNSPECIFIED.....	86	-	4	82	3,079	4,512	36,067	79	17,818	7	36
REACTION, OTHER THAN BODILY.....	3	-	-	3	85	82	921	3	536	-	-
CONTACT WITH ATMOSPHERIC, ENVIRONMENTAL CONDITIONS, NEC.....	6	-	1	5	146	254	2,326	6	3,649	-	-
PROLONGED EXPOSURE TO EXCESSIVE NOISE..	24	-	24	-	-	7,173	53,108	-	-	24	-

Cont. from page 35

TABLE 196.3 (CONTINUED)

SOURCE	NUMBER OF CASES				HEALING PERIOD (DAYS)	COMPENSABLE TIME (DAYS)	INDEMNITY PAID	MEDICAL AID PAID IN CASES ON A FEE BASIS		CASES WITH NO FEE REPORTED-CONTRACT MEDICAL AND OTHER	NUMBER OF WOMEN
	TOTAL	KIND OF DISABILITY						NUMBER OF CASES	AMOUNT		
		PERMANENT TOTAL	PERMANENT PARTIAL	TEMPORARY							
COAL & PETROLEUM PRODUCTS (CONT.)											
MINERAL SPIRITS	1	-	-	1	5	2	$ 23	1	$ 101	-	-
TAR	1	-	-	1	25	25	283	1	196	-	-
FLAME, FIRE, SMOKE	9	-	-	9	66	48	418	8	1,633	1	3
SMOKE	9	-	-	9	66	48	418	8	1,633	1	3
FLAMMABLE AND HOT SUBSTANCES	24	-	1	23	405	525	4,524	22	3,348	2	6
FOUNDRY SAND	1	-	-	1	9	9	102	1	400	-	-
PAINT, VARNISH, SHELLAC	19	-	1	18	373	502	4,329	18	2,706	1	4
SOLDER, SOLDERING FLUX	3	-	-	3	18	12	70	2	162	1	2
JOINTER COMPOUND	1	-	-	1	5	2	23	1	80	-	-
ANIMAL PRODUCTS (NOT FOOD)	5	-	-	5	77	74	580	5	222	-	2
FEATHER	2	-	-	2	22	22	129	2	89	-	1
HIDE, LEATHER	3	-	-	3	55	52	451	3	133	-	1
BODILY MOTION	174	-	6	168	3,853	4,758	42,876	157	22,796	17	92
TURNING	1	-	-	1	4	1	11	1	30	-	-
RIDING	4	-	-	4	47	41	448	4	989	-	-
STEPPING DOWN	1	-	-	1	40	40	453	1	334	-	-
STATIC POSITION	3	-	-	3	117	111	1,112	3	78	-	1
OTHER OR UNSPECIFIED	165	-	6	159	3,645	4,565	40,852	148	21,365	17	91
CHEMICALS, CHEMICAL COMPOUNDS, NEC	103	-	2	101	2,027	2,030	18,258	95	21,889	8	28
AMMONIA	4	-	-	4	93	90	756	4	986	-	-
CALCIUM HYDROXIDE	3	-	-	3	28	25	256	3	48	-	-
SODIUM HYDROXIDE	3	-	-	3	49	49	417	2	71	1	2
CARBON MONOXIDE	6	-	-	6	43	28	346	6	712	-	1
CHLORINE	2	-	-	2	9	3	28	2	335	-	-
CHROMIUM COMPOUND	3	-	1	2	15	132	986	2	20	1	1
CYANOGEN COMPOUND	1	-	-	1	12	12	136	1	41	-	-
FORMALDEHYDE	1	-	-	1	8	5	47	1	130	-	1
HYDROGEN SULPHIDE	1	-	-	1	10	10	113	1	81	-	-
LEAD COMPOUND	13	-	-	13	474	468	4,347	13	9,548	-	-
MERCURY	2	-	-	2	73	70	746	2	1,200	-	1
METHYLCHLORIDE	2	-	-	2	31	31	239	2	332	-	1
TETRACHLORETHANE	1	-	-	1	12	12	156	1	319	-	1
TRICHLORETHYLENE	2	-	-	2	17	11	79	2	110	-	1
TOLUENE	1	-	-	1	40	40	423	1	142	-	1
ZINC COMPOUND	1	-	-	1	6	3	34	-	-	1	1
ACID, NEC	4	-	-	4	55	49	500	2	431	2	-
INSECTICIDE	4	-	-	4	70	64	663	4	504	-	1
COOLANT	1	-	-	1	50	50	567	1	50	-	-
PHOTOGRAPHIC, BLUEPRINTING CHEMICAL	1	-	-	1	28	28	299	1	833	-	-
PAINT REMOVER	1	-	1	-	-	12	89	1	50	-	-

TABLE 196.3 (CONTINUED)

SOURCE	NUMBER OF CASES				HEALING PERIOD (DAYS)	COMPENSABLE TIME (DAYS)	INDEMNITY PAID	MEDICAL AID PAID IN CASES ON A FEE BASIS		CASES WITH NO FEE REPORTED-CONTRACT MEDICAL AND OTHER	NUMBER OF WOMEN
	TOTAL	KIND OF DISABILITY						NUMBER OF CASES	AMOUNT		
		PERMANENT TOTAL	PERMANENT PARTIAL	TEMPORARY							
CHEMICALS, CHEMICAL COMPOUNDS, NEC. (CONT.)											
PAINT THINNER	1	-	-	1	8	5	$ 57	1	$ 105	-	-
RESIN, ROSIN	2	-	-	2	15	9	88	2	44	-	-
HAIR DRESSING PREPARATION	6	-	-	6	221	221	1,511	6	1,329	-	4
RUST INHIBITOR	1	-	-	1	34	34	385	1	47	-	-
OXYGEN COMPOUND	1	-	-	1	12	12	128	1	264	-	-
EPOXY COMPOUND	9	-	-	9	95	80	727	8	583	1	4
ACETONE	1	-	-	1	72	72	407	1	90	-	1
POLYURETHANE	2	-	-	2	10	4	45	2	131	-	-
OTHER OR UNSPECIFIED	23	-	-	23	437	401	3,683	21	3,343	2	7
CLOTHING, APPAREL, SHOES	5	-	-	5	85	79	714	5	403	-	1
BLOUSE, DRESS, SHIRT	1	-	-	1	33	33	250	1	58	-	-
BOOT, SHOE	1	-	-	1	6	3	28	1	49	-	-
GLOVE, NEC	1	-	-	1	5	2	16	1	25	-	-
SWEATER	1	-	-	1	12	12	111	1	152	-	1
RUBBER GLOVE	1	-	-	1	29	29	309	1	119	-	-
DRUGS, MEDICINES	2	-	-	2	14	11	88	2	117	-	2
BIOLOGIC PRODUCT, NEC	1	-	-	1	4	1	11	1	86	-	1
OTHER MEDICINAL	1	-	-	1	10	10	77	1	31	-	1
ENVIRONMENTAL, ATMOSPHERIC CONDITIONS	84	-	27	57	1,143	8,420	64,441	59	10,750	25	4
HIGH AIR PRESSURE	4	-	-	4	30	21	230	4	829	-	-
HEAT	25	-	-	25	240	192	2,099	24	2,265	1	3
COLD WEATHER	21	-	2	19	577	630	5,094	21	3,901	-	-
COLD	1	-	-	1	13	13	80	1	185	-	1
SUDDEN VARIATIONS OF TEMPERATURE	1	-	-	1	4	1	10	1	17	-	-
DAMPNESS, MOISTURE	3	-	-	3	78	75	803	3	197	-	-
REPEATED NOISE	24	-	24	-	-	7,173	53,108	-	-	24	-
DRAFT	1	-	-	1	4	1	11	1	15	-	-
OCCUPATION, PER SE	3	-	-	3	85	82	921	3	536	-	-
OTHER OR UNSPECIFIED	1	-	1	-	112	232	2,085	1	2,805	-	-
FOOD PRODUCTS (INC. ANIMAL FOODS)	19	-	-	19	246	225	1,925	18	2,143	1	10
MEAT, MEAT PRODUCT	1	-	-	1	11	11	125	-	-	1	-
MILK, MILK PRODUCT	2	-	-	2	46	46	479	2	1,281	-	1
CORN	2	-	-	2	22	19	199	2	55	-	-
FISH	3	-	-	3	24	18	141	3	161	-	3
DOUGH, FLOUR	2	-	-	2	40	40	406	2	111	-	1
CHOCOLATE	2	-	-	2	33	30	199	2	288	-	1
POULTRY	7	-	-	7	70	61	376	7	247	-	4
FURNITURE, FIXTURES, FURNISHINGS	1	-	-	1	5	2	20	1	28	-	1
TABLE	1	-	-	1	5	2	20	1	28	-	1

TABLE 196.3 (CONTINUED)

SOURCE	NUMBER OF CASES				HEALING PERIOD (DAYS)	COMPENSABLE TIME (DAYS)	INDEMNITY PAID	MEDICAL AID PAID IN CASES ON A FEE BASIS		CASES WITH NO FEE REPORTED-CONTRACT MEDICAL AND OTHER	NUMBER OF WOMEN
	TOTAL	KIND OF DISABILITY						NUMBER OF CASES	AMOUNT		
		PERMANENT TOTAL	PERMANENT PARTIAL	TEMPORARY							
GLASS ITEMS, NEC	6	-	-	6	119	116	$ 868	6	$ 265	-	3
GLASS FIBER	6	-	-	6	119	116	868	6	265	-	3
INFECTIOUS, PARASITIC AGENT, NEC.	56	-	3	53	2,815	3,122	25,473	51	16,064	5	35
LADDERS	1	-	-	1	13	13	147	1	289	-	-
MOVABLE LADDER, NEC	1	-	-	1	13	13	147	1	289	-	-
LIQUIDS, NEC	1	-	-	1	19	19	111	1	16	-	1
OTHER LIQUID, NEC	1	-	-	1	19	19	111	1	16	-	1
MECHANICAL POWER TRANSMISSION APPARATUS	1	-	-	1	13	13	19	1	102	-	-
CHAIN, ROPE, CABLE	1	-	-	1	13	13	19	1	102	-	-
METAL ITEMS, NEC	4	-	-	4	59	56	387	4	268	-	2
PIPE, PIPING	1	-	-	1	27	27	65	1	69	-	1
METAL CHIP, SPLINTER	1	-	-	1	13	13	147	1	78	-	-
SCREW	1	-	-	1	6	3	28	1	36	-	-
OTHER OR UNSPECIFIED	1	-	-	1	13	13	147	1	85	-	1
MINERAL ITEMS, NEC	2	-	-	2	24	24	185	2	99	-	-
GRAVEL	1	-	-	1	11	11	117	1	22	-	-
SAND	1	-	-	1	13	13	68	1	77	-	-
PLANTS, TREES, VEGETATION	63	-	-	63	686	566	4,903	58	5,487	5	4
POISON IVY	40	-	-	40	439	367	3,418	36	3,089	4	1
POISON OAK	6	-	-	6	121	115	873	6	1,287	-	1
POISON SUMAC	6	-	-	6	46	31	275	6	375	-	-
TREE	1	-	-	1	8	5	46	-	-	1	-
PLANT, NEC	2	-	-	2	9	3	25	2	12	-	-
VEGETATION, NEC	1	-	-	1	5	2	23	1	12	-	-
WEED, NEC	7	-	-	7	58	43	243	7	712	-	2
PLASTIC ITEMS, NEC	4	-	-	4	47	44	299	4	108	-	4
PLASTIC ITEM, NEC	4	-	-	4	47	44	299	4	108	-	4
RADIATING SUBSTANCES AND EQUIPMENT	24	-	1	23	192	1,330	9,922	22	1,091	2	-
ULTRAVIOLET EQUIPMENT	1	-	-	1	5	2	26	1	31	-	-
WELDING EQUIPMENT	23	-	1	22	187	1,328	9,896	21	1,060	2	-
SOAPS, DETERGENTS, CLEANING COMPOUNDS, NEC	57	-	-	57	1,295	1,232	10,685	52	6,244	5	18
BLEACH	3	-	-	3	16	7	64	2	229	1	1
CLEANING COMPOUND, NEC	21	-	-	21	485	461	3,517	19	2,850	2	9
DETERGENT	12	-	-	12	229	214	1,704	12	1,066	-	4

TABLE 196.3 (CONTINUED)

SOURCE	NUMBER OF CASES				HEALING PERIOD (DAYS)	COMPENSABLE TIME (DAYS)	INDEMNITY PAID	MEDICAL AID PAID IN CASES ON A FEE BASIS		CASES WITH NO FEE REPORTED-CONTRACT MEDICAL AND OTHER	NUMBER OF WOMEN
	TOTAL	KIND OF DISABILITY						NUMBER OF CASES	AMOUNT		
		PERMANENT TOTAL	PERMANENT PARTIAL	TEMPORARY							
SOAPS, DETERGENTS, CLEANING COMPOUNDS, NEC. (CONT.)											
DISHWATER	4	-	-	4	292	292	$ 2,950	3	$ 247	1	1
DISINFECTANT	1	-	-	1	23	23	106	1	49	-	1
SOAP	7	-	-	7	109	103	1,054	6	243	1	1
SOLVENT, NEC	9	-	-	9	141	132	1,290	9	1,560	-	1
DUSTS, FUMES, VAPORS, GASES, NEC.	59	11	5	43	7,054	49,890	298,746	48	62,156	11	14
SILICA	17	10	5	2	6,392	46,450	271,400	9	55,730	8	-
FUMES, CEMENT	2	-	-	2	12	6	63	1	19	1	1
CORN DUST	1	-	-	1	5	2	23	1	30	-	-
BLASTING FUMES	1	-	-	1	7	4	45	1	30	-	1
FUMES OR GAS, SOLDERING	1	-	-	1	9	9	64	-	-	1	1
GRAIN DUST	2	-	-	2	85	85	710	2	1,089	-	-
DUST, NEC	16	1	-	15	189	3,012	23,235	16	2,814	-	6
FUMES, GAS, NEC	19	-	-	19	355	322	3,206	18	2,444	1	5
SCRAP, DEBRIS, WASTE MATERIALS, NEC	1	-	-	1	4	1	11	1	80	-	-
TEXTILE ITEMS, NEC	3	-	-	3	87	81	506	3	365	-	2
COTTON	1	-	-	1	5	2	12	1	22	-	1
FELT	1	-	-	1	4	1	7	1	38	-	-
WOOL	1	-	-	1	78	78	487	1	305	-	1
WOOD ITEMS, NEC	4	-	-	4	32	23	207	4	113	-	1
LUMBER	1	-	-	1	4	1	8	1	36	-	-
PANEL, PLYWOOD	1	-	-	1	7	4	45	1	8	-	-
VENEER	2	-	-	2	21	18	154	2	69	-	1
MISCELLANEOUS ITEMS	48	-	-	48	885	834	8,751	46	4,436	2	5
BRINE, SALT	1	-	-	1	10	10	90	1	32	-	1
CEMENT, CONCRETE	20	-	-	20	305	290	3,152	19	1,669	1	-
GLUE	14	-	-	14	190	169	1,532	14	1,284	-	3
INJURED PERSON	1	-	-	1	12	12	136	-	-	1	-
INSULATION	1	-	-	1	17	17	101	1	201	-	-
MORTAR	1	-	-	1	143	143	1,621	1	613	-	-
PASTE	1	-	-	1	6	3	34	1	75	-	-
RUBBER	3	-	-	3	120	117	1,216	3	287	-	1
SHELLAC	1	-	-	1	24	24	256	1	13	-	-
TAPE (ADHESIVE, ETC.)	2	-	-	2	41	41	454	2	217	-	-
CORE	1	-	-	1	7	4	34	1	2	-	-
ROLL OF MATERIAL	1	-	-	1	6	3	34	1	30	-	-
EAR PLUG	1	-	-	1	4	1	11	1	13	-	-
NOT REPORTED	128	-	-	128	2,400	2,220	19,991	121	12,277	7	50

TABLE 185.21

COMPENSABLE OCCUPATIONAL DISEASE CASES SETTLED IN 1966

CLASSIFIED BY KIND OF DISABILITY, OCCUPATION AND NATURE OF INJURY

KIND OF DISABILITY / OCCUPATION	TOTAL	DERMA-TITIS	PNEUMONO-CONIOSIS	CONTAGIOUS OR INFECTIOUS DISEASE	SYSTEMIC POISONING	INFLAMMATION OF MUSCLES, ETC.	LOSS OF HEARING	FREEZING	HEAT EFFECTS	ALL OTHER
TOTAL.....	981	446	19	54	40	201	24	17	22	158
PERMANENT TOTAL DISABILITY CASES....	11	-	11	-	-	-	-	-	-	-
CONSERVATION AID.....	1	-	1	-	-	-	-	-	-	-
FACTORY LABORER, NEC.....	3	-	3	-	-	-	-	-	-	-
FOUNDRY LABORER, NEC.....	2	-	2	-	-	-	-	-	-	-
MOLDER.....	1	-	1	-	-	-	-	-	-	-
SANDBLASTER.....	1	-	1	-	-	-	-	-	-	-
SETUP MAN.....	1	-	1	-	-	-	-	-	-	-
STONE CUTTER.....	1	-	1	-	-	-	-	-	-	-
WHEELABRATOR OPERATOR.....	1	-	1	-	-	-	-	-	-	-
LOSS OF HEARING, OCCUPATIONAL.....	24	-	-	-	-	-	24	-	-	-
BLACKSMITH.....	1	-	-	-	-	-	1	-	-	-
CHIPPER.....	1	-	-	-	-	-	1	-	-	-
CONSTRUCTION LABORER.....	1	-	-	-	-	-	1	-	-	-
FACTORY LABORER.....	17	-	-	-	-	-	17	-	-	-
INSPECTOR.....	2	-	-	-	-	-	2	-	-	-
JANITOR.....	1	-	-	-	-	-	1	-	-	-
SHEAR OPERATOR.....	1	-	-	-	-	-	1	-	-	-
INJURIES RATED RELATIVE TO SCHEDULED INJURIES.....	14	1	-	2	-	5	-	1	-	5
ASSEMBLER.....	1	-	-	-	-	1	-	-	-	-
BREWERY WORKER.....	1	-	-	-	-	1	-	-	-	-
BUTCHER.....	1	-	-	-	-	1	-	-	-	-
FACTORY LABORER.....	2	-	-	-	-	1	-	-	-	1
HANDBILL DISTRIBUTOR.....	1	-	-	-	-	-	-	-	-	1
HANDTRUCKER.....	1	1	-	-	-	-	-	-	-	-
MANAGER, NEC.....	1	-	-	1	-	-	-	-	-	-
MOLDER.....	1	-	-	-	-	-	-	-	-	1
OPERATING ENGINEER, NEC.....	1	-	-	-	-	-	-	-	-	1
PLANT PATROLMAN.....	1	-	-	-	-	1	-	-	-	-
STEAMFITTER.....	1	-	-	-	-	-	-	-	-	1
WHOLESALE SALESMAN.....	1	-	-	1	-	-	-	-	-	-
UNSPECIFIED.....	1	-	-	-	-	-	-	1	-	-
NONDISABLING SILICOSIS.....	3	-	3	-	-	-	-	-	-	-
CHIPPER.....	1	-	1	-	-	-	-	-	-	-
FOUNDRY LABORER, NEC.....	2	-	2	-	-	-	-	-	-	-
INJURIES RATED RELATIVE TO PERMANENT TOTAL DISABILITY.....	7	1	2	1	-	1	-	-	-	2
ELECTRICIAN, MAINTENANCE.....	1	-	-	-	-	1	-	-	-	-
FACTORY LABORER.....	3	-	2	-	-	-	-	-	-	1
SHEET METAL WORKER, CONSTRUCTION	1	-	-	-	-	-	-	-	-	1
STUDENT NURSE.....	1	-	-	1	-	-	-	-	-	-
TESTER.....	1	1	-	-	-	-	-	-	-	-

TABLE 185.21 (CONTINUED)

KIND OF DISABILITY / OCCUPATION	TOTAL	DERMATITIS	PNEUMONOCONIOSIS	CONTAGIOUS OR INFECTIOUS DISEASE	SYSTEMIC POISONING	INFLAMMATION OF MUSCLES, ETC.	LOSS OF HEARING	FREEZING	HEAT EFFECTS	ALL OTHER
TEMPORARY DISABILITY CASES.....	922	444	3	51	40	195	-	16	22	151
ASSEMBLER.....	57	23	-	-	3	28	-	-	-	3
AUTO MECHANIC.....	10	5	-	-	1	1	-	2	-	1
CANNERY WORKER, NEC.....	7	5	-	-	-	1	-	-	1	-
CARPENTER.....	11	2	-	-	-	4	-	-	1	4
CEMENTER.....	5	4	-	-	1	-	-	-	-	-
CHARWOMAN.....	7	5	-	-	-	2	-	-	-	-
CONSTRUCTION LABORER, NEC.....	43	21	-	-	-	5	-	-	2	15
COOK.....	6	5	-	-	-	-	-	-	-	1
COSMETOLOGIST.....	7	7	-	-	-	-	-	-	-	-
DAIRY PLANT WORKER.....	14	10	-	-	-	2	-	-	-	2
DIE CASTING MACHINE OPERATOR....	6	3	-	-	-	1	-	-	1	1
DISHWASHER.....	5	4	-	-	-	-	-	-	-	1
DRILL PRESS OPERATOR.....	8	4	-	-	-	3	-	-	-	1
FACTORY LABORER, NEC.....	118	58	1	-	5	33	-	-	1	20
FARM WORKER, NEC.....	10	6	-	-	2	-	-	-	1	1
FINISHER, NEC.....	10	7	-	-	-	1	-	-	-	2
FOREMAN.....	11	5	-	1	-	-	-	-	2	3
FOUNDRY LABORER, NEC.....	5	-	-	-	1	1	-	-	1	2
GRINDER, NEC.....	6	4	-	-	-	1	-	-	1	-
HOSPITAL ATTENDANT.....	7	3	-	3	-	-	-	-	-	1
INSPECTOR.....	7	5	-	-	-	1	-	-	-	1
INSTITUTION AID.....	13	-	-	11	-	-	-	-	-	2
KITCHEN HELPER.....	7	4	-	2	-	-	-	-	-	1
LABORATORY TECHNICIAN.....	5	2	-	3	-	-	-	-	-	-
LABORER, NEC.....	46	34	-	-	2	5	-	1	-	4
LAUNDRY WORKER, NEC.....	5	3	-	1	-	1	-	-	-	-
MACHINE OPERATOR, NEC.....	39	19	-	-	1	13	-	-	-	6
MAINTENANCE MAN.....	13	8	-	-	4	-	-	-	-	1
MATERIALS HANDLER, NEC.....	9	3	-	-	-	3	-	-	-	3
MECHANIC, NEC.....	6	2	-	-	1	-	-	-	1	2
MOLDER.....	11	4	1	-	1	3	-	-	1	1
OPERATING ENGINEER, NEC.....	7	4	-	-	1	1	-	1	-	-
PACKER, NEC.....	14	3	-	-	-	10	-	-	1	-
PACKING PLANT WORKER, NEC.....	11	-	-	6	-	3	-	-	-	2
PAINTER.....	11	4	-	-	2	1	-	-	-	4
PLATER.....	6	6	-	-	-	-	-	-	-	-
POULTRY DRESSER.....	15	10	-	-	-	4	-	-	-	1
PRESS OPERATOR, NEC.....	6	1	-	-	-	4	-	-	-	1
TANNERY WORKER, NEC.....	11	6	-	-	-	4	-	-	-	1
TEACHER.....	6	-	-	6	-	-	-	-	-	-
TRAINEE.....	6	3	-	-	-	1	-	-	1	1
TRUCK DRIVER.....	13	9	-	-	-	2	-	-	-	2
WELDER.....	16	3	-	-	-	4	-	-	-	9
ALL OTHER OCCUPATIONS 1/.....	286	130	1	18	15	52	-	12	7	51

1/ OCCUPATIONS WITH LESS THAN 5 TEMPORARY DISABILITY CASES.

TABLE 183.25

COMPENSABLE OCCUPATIONAL DISEASE CASES SETTLED IN 1966, CLASSIFIED BY INDUSTRY AND SOURCE OF INJURY

INDUSTRY	TOTAL	DERMA-TITIS	PNEUMONO-CONIOSIS	CONTAGIOUS OR INFECTIOUS DISEASE	SYSTEMIC POISONING	INFLAMMATION OF MUSCLES, ETC.	LOSS OF HEARING	FREEZING	HEAT EFFECTS	ALL OTHER
TOTAL.....	981	446	19	54	40	201	24	17	22	158
AGRICULTURE AND FISHING.....		12	-	-	2	-	-	-	1	2
MINING AND QUARRYING.....		1	-	-	-	1	-	-	-	-
CONSTRUCTION.....		31	-	-	2	15	1	-	3	32
GENERAL BUILDING CONTRACTORS.....		10	-	-	1	5	-	-	-	15
GENERAL CONTRACTORS, OTHER THAN BUILDING.....		9	-	-	-	1	-	-	1	8
SPECIAL TRADE CONTRACTORS.....		12	-	-	1	9	1	-	2	9
MANUFACTURING.....		262	17	10	21	157	23	2	11	87
FOOD AND KINDRED PRODUCTS.....		37	-	9	-	20	-	1	3	11
TEXTILES AND APPAREL.....		9	-	-	1	6	-	-	-	2
LUMBER AND WOOD PRODUCTS.....		32	-	-	-	3	-	-	-	1
FURNITURE AND FIXTURES.....		7	-	-	1	4	-	-	-	2
PAPER AND ALLIED PRODUCTS.....		5	-	-	1	5	-	-	2	2
PRINTING AND PUBLISHING.....		4	-	-	-	8	-	1	-	1
CHEMICALS AND ALLIED PRODUCTS....		2	-	-	-	1	-	-	-	1
RUBBER & MISCELLANEOUS PLASTICS PRODUCTS.....		8	-	-	-	7	-	-	-	6
LEATHER AND LEATHER PRODUCTS.....		17	-	1	1	11	-	-	-	2
STONE, CLAY & GLASS PRODUCTS.....		8	1	-	-	1	-	-	-	2
PRIMARY METAL INDUSTRIES.....		14	7	-	5	6	14	-	4	5
FABRICATED METAL PRODUCTS.....		32	3	-	2	28	1	-	1	15
MACHINERY, EXC. ELECTRICAL.....		38	3	-	3	22	5	-	1	14
ELECTRICAL MACHINERY, EQUIPMENT AND SUPPLIES.....		33	-	-	4	26	-	-	-	9
TRANSPORTATION EQUIPMENT.....		5	-	-	1	5	3	-	-	9
INSTRUMENTS AND RELATED PRODUCTS.		2	-	-	-	2	-	-	-	1
MISCELLANEOUS MFG. INDUSTRIES....		9	-	-	2	2	-	-	-	4
MOTOR FRT. TRANSPORTATION AND WAREHOUSING.....		3	-	-	-	-	-	1	-	1
OTHER TRANSPORTATION.....		1	-	-	-	1	-	-	-	-
COMMUNICATION.....		2	-	-	-	1	-	-	-	-
UTILITIES.....		4	-	-	-	-	-	1	1	2
TRADE.....		44	1	4	8	11	-	4	5	15
WHOLESALE TRADE.....		11	1	2	5	5	-	-	2	2
RETAIL TRADE:										
BUILDING MATERIALS, HARDWARE & FARM EQUIPMENT.....		2	-	-	-	1	-	-	3	4
GENERAL MDSE. & APPAREL.....		4	-	-	1	4	-	-	-	5
FOOD.....		8	-	-	-	-	-	-	-	1
AUTOMOTIVE DEALERS & GAS SERVICE STATIONS.....		7	-	-	1	-	-	3	-	-
FURNITURE, HOME FURNISHINGS & EQUIPMENT.....		-	-	-	-	-	-	-	-	3
EATING & DRINKING PLACES.....		10	-	1	-	-	-	-	-	-
MISCELLANEOUS RETAIL STORES....		2	-	1	1	1	-	1	-	-
FINANCE, INS. & REAL ESTATE.....		2	-	-	-	2	-	-	-	1
SERVICE INDUSTRIES.....		39	-	9	3	6	-	6	1	5
STATE AND LOCAL GOVERNMENT.....		45	1	31	4	7	-	3	-	13

TABLE 184.5

SELECTED COMPENSABLE DERMATITIS CASES SETTLED IN 1966

INDUSTRY	OCCUPATION	SOURCE	KIND OF DISABILITY	HEALING PERIOD	COMPENSABLE TIME	AMOUNT OF INDEMNITY PAID	AMOUNT OF MEDICAL AID PAID
GENERAL FARMS	FOREMAN	CHEMICAL, NEC.	T	34	34	$ 256	$677
GENERAL BUILDING CONTRACTORS	CONSTRUCTION LABORER, NEC.	PAINT, VARNISH, SHELLAC	T	29	29	280	51
	CONSTRUCTION LABORER, NEC.	CEMENT, CONCRETE	T	30	30	320	96
	CONSTRUCTION LABORER, NEC.	MORTAR	T	143	143	1,621	613
HIGHWAY AND STREET CONSTRUCTION, EXCEPT ELEVATED HIGHWAYS	FOREMAN	TAR	T	25	25	283	196
HEAVY CONSTRUCTION, EXCEPT HIGHWAY AND STREET CONSTRUCTION	CONSTRUCTION LABORER, NEC.	CEMENT, CONCRETE	T	26	26	295	55
MASONRY, STONEWORK, TILE SETTING AND PLASTERING	CONSTRUCTION LABORER, NEC.	RUBBER GLOVES	T	29	29	309	119
CARPENTERING AND WOOD FLOORING	CARPET AND RESILIENT FLOOR LAYER	TAPE	T	25	25	283	123
MISCELLANEOUS SPECIAL TRADE CONTRACTORS	CONSTRUCTION LABORER, NEC.	CEMENT, CONCRETE	T	27	27	281	542
MFG. SMALL ARMS AMMUNITION	SETUP MAN	CHEMICAL, NEC.	T	80	80	907	103
MFG. CREAMERY BUTTER	DAIRY PLANT WORKER	CLEANING COMPOUND, NEC.	T	48	48	387	385
	DAIRY PLANT WORKER	CLEANING COMPOUND, NEC.	T	45	45	399	126
	POULTRY DRESSER	NOT REPORTED	T	34	34	254	29
MFG. CHEESE	DAIRY PLANT WORKER	DAMPNESS, MOISTURE	T	38	38	402	31
	DAIRY PLANT WORKER	NOT REPORTED	T	47	47	501	67
MFG. MALT LIQUORS	BREWERY WORKER	ACID, NEC.	T	32	32	320	422
BROAD WOVEN FABRIC MILLS, WOOL: INCLUDING DYEING AND FINISHING	SPINNER	WOOL	T	78	78	487	305
MFG. DRESSES	MACHINE OPERATOR, NEC.	DRESS	T	33	33	250	58
SAWMILLS AND PLANING MILLS, GENERAL	SAW OPERATOR, NEC.	POISON OAK	T	55	55	516	365
MILLWORK PLANTS	ASSEMBLER	GLUE	T	27	27	196	73
VENEER AND PLYWOOD PLANTS	LATHE OPERATOR, NEC.	GLUE	T	41	41	369	468
MISCELLANEOUS WOOD PRODUCTS	FACTORY LABORER, NEC.	PAINT, VARNISH, SHELLAC	T	35	35	261	407
NEWSPAPERS: PUBLISHING, PUBLISHING AND PRINTING	ENGRAVER	PHOTOGRAPHIC, BLUE-PRINTING CHEMICAL	T	28	28	299	833

TABLE 184.5 (CONTINUED)

INDUSTRY	OCCUPATION	SOURCE	KIND OF DISABILITY	HEALING PERIOD	COMPENSABLE TIME	AMOUNT OF INDEMNITY PAID	AMOUNT OF MEDICAL AID PAID
COMMERCIAL PRINTING, EXCEPT LITHOGRAPHIC	PORTER	SOLVENT, NEC.	T	36	36	$ 384	$160
MFG. CHEMICALS AND CHEMICAL PREPARATIONS, NEC.	MIXER OPERATOR	NOT REPORTED	T	32	32	351	183
MFG. TIRES AND INNER TUBES	MACHINE OPERATOR, NEC.	RUBBER	T	62	62	661	106
	FACTORY LABORER, NEC.	NOT REPORTED	T	206	206	2,197	35
LEATHER TANNING AND FINISHING	MACHINE OPERATOR, NEC.	RUBBER	T	51	51	510	171
	TANNERY WORKER	NOT REPORTED	TPD	27	27	34	22
	BEAMHOUSE MAN	NOT REPORTED	T	37	37	309	99
MFG. FOOTWEAR, EXCEPT HOUSE SLIPPERS AND RUBBER FOOTWEAR	BENCH HAND	HIDE, LEATHER	T	25	25	151	32
MFG. ABRASIVE PRODUCTS	FABRICATOR	NOT REPORTED	T	44	44	388	501
GRAY IRON FOUNDRIES	FACTORY LABORER, NEC.	HEAT	T	28	28	317	269
MFG. ALUMINUM CASTINGS	TRIMMER, NEC.	LUBRICATING, CUTTING OIL AND GREASE	T	25	25	283	20
PRIMARY METAL INDUSTRIES, NEC.	WELDER	RUST INHIBITOR	T	34	34	385	47
MFG. HARDWARE, NEC.	MACHINE OPERATOR, NEC.	NOT REPORTED	TPD	29	29	40	138
MFG. ENAMELED IRON AND METAL SANITARY WARE	MACHINE OPERATOR, NEC.	KEROSENE	T	31	31	351	21
	ASSEMBLER	NOT REPORTED	T	36	36	408	22
MFG. METAL DOORS, SASH, FRAMES, MOLDING AND TRIM	MACHINE OPERATOR, NEC.	DISHWATER	T	29	29	329	123
MFG. SCREW MACHINE PRODUCTS	MACHINE OPERATOR, NEC.	LUBRICATING, CUTTING OIL AND GREASE	T	29	29	298	209
MFG. METAL STAMPINGS	INSPECTOR	NOT REPORTED	T	30	30	309	196
ELECTROPLATING, PLATING, POLISHING, ANODIZING AND COLORING	FACTORY LABORER, NEC.	CHEMICAL, NEC.	T	27	27	158	41
	JANITOR	NOT REPORTED	T	25	25	158	1,293
MFG. INTERNAL COMBUSTION ENGINES, NEC.	ASSEMBLER	LUBRICATING, CUTTING OIL AND GREASE	T	28	28	317	43
	GRINDER, NEC.	INSECTICIDE	T	42	42	448	360
	GRINDER, NEC.	NOT REPORTED	T	96	96	1,088	274
MFG. MINING MACHINERY AND EQUIPMENT, EXCEPT OIL FIELD MACHINERY AND EQUIPMENT	MACHINE OPERATOR, NEC.	LUBRICATING, CUTTING OIL AND GREASE	T	61	61	691	137

TABLE 184.5 (CONTINUED)

INDUSTRY	OCCUPATION	SOURCE	KIND OF DISABILITY	HEALING PERIOD	COMPENSABLE TIME	AMOUNT OF INDEMNITY PAID	AMOUNT OF MEDICAL AID PAID
MFG. HOISTS, INDUSTRIAL CRANES AND MONORAIL SYSTEMS	TESTER	LUBRICATING, CUTTING OIL AND GREASE	PPD	66	321	$2,596	$1,647
MFG. SPECIAL DIES AND TOOLS, DIE SETS, JIGS AND FIXTURES	MACHINE OPERATOR, NEC.	NOT REPORTED	T	98	98	1,111	70
MFG. METAL WORKING MACHINERY, EXCEPT MACHINE TOOLS	GRINDER, NEC.	COOLANT	T	50	50	567	50
MFG. MECHANICAL POWER TRANSMISSION EQUIPMENT, EXCEPT BALL AND ROLLER BEARINGS	TRAINEE	LUBRICATING, CUTTING OIL AND GREASE	T	58	58	657	83
MFG. COMPUTING AND ACCOUNTING MACHINES, INCLUDING CASH REGISTERS	ASSEMBLER	NOT REPORTED	T	32	32	158	165
	ASSEMBLER	NOT REPORTED	T	33	33	240	23
MFG. POWER, DISTRIBUTION AND SPECIALTY TRANSFORMERS	FACTORY LABORER, NEC.	LUBRICATING, CUTTING OIL AND GREASE	T	25	25	273	255
MFG. MOTORS AND GENERATORS	FACTORY LABORER, NEC.	ACETONE	T	72	72	407	90
MFG. INDUSTRIAL CONTROLS	ASSEMBLER	PAINT, VARNISH, SHELLAC	T	43	43	321	80
MFG. ELECTRONIC COMPONENTS AND ACCESSORIES, NEC.	FACTORY LABORER, NEC.	GLASS FIBER	T	57	57	346	30
MFG. PRIMARY BATTERIES, DRY AND WET	FACTORY LABORER, NEC.	CHEMICAL, NEC.	T	63	63	498	170
TRUCKING, LOCAL AND LONG DISTANCE	MECHANIC, NEC.	GASOLINE	T	78	78	884	398
TELEPHONE COMMUNICATION (WIRE OR RADIO)	LINEMAN, TELEPHONE	POISON IVY	T	78	78	744	506
WHOLESALE GROCERIES AND RELATED PRODUCTS	WAREHOUSEMAN, NEC.	MILK, MILK PRODUCT	T	35	35	397	234
MISCELLANEOUS WHOLESALERS	TRUCK DRIVER	CRUDE OIL, FUEL OIL	T	48	48	484	148
CANDY, NUT AND CONFECTIONERY STORES	DIPPER	CHOCOLATE	T	28	28	176	44
RETAIL BAKERIES	BAKER	DOUGH, FLOUR	T	26	26	277	70
MISCELLANEOUS FOOD STORES	COOK	DISHWATER	T	55	55	462	111
MOTOR VEHICLE DEALERS (NEW AND USED CARS)	AUTO WASHER	NOT REPORTED	T	41	41	407	126

TABLE 184.5 (CONTINUED)

INDUSTRY	OCCUPATION	SOURCE	KIND OF DISABILITY	HEALING PERIOD	COMPEN-SABLE TIME	AMOUNT OF INDEMNITY PAID	AMOUNT OF MEDICAL AID PAID
GASOLINE SERVICE STATIONS	FILLING STATION ATTENDANT	NOT REPORTED	T	168	168	$1,792	$697
	LABORER, NEC.	NOT REPORTED	T	31	31	199	8
EATING AND DRINKING PLACES	BARTENDER	DETERGENT	T	63	63	714	76
	BARTENDER	DISHWATER	T	199	199	2,123	-
HOTELS, TOURIST COURTS AND MOTELS	WASHER, NEC.	CLEANING COMPOUND, NEC.	T	85	85	496	201
BEAUTY SHOPS	COSMETOLOGIST	HAIR DRESSING PREPARATION	T	62	62	289	164
	COSMETOLOGIST	HAIR DRESSING PREPARATION	T	26	26	182	255
	COSMETOLOGIST	HAIR DRESSING PREPARATION	T	96	96	672	306
BUSINESS SERVICES, NEC.	PHOTO FINISHER	NOT REPORTED	T	25	25	175	42
HOSPITALS	HOUSEMAN	CLEANING COMPOUND, NEC.	T	26	26	209	172
	MAID	CLEANING COMPOUND, NEC.	T	40	40	261	235
HEALTH AND ALLIED SERVICES, NEC.	COOK	DETERGENT	T	53	53	294	66
NONPROFIT EDUCATIONAL AND SCIENTIFIC RESEARCH AGENCIES	TESTER	CHEMICAL, NEC.	T	51	51	274	174
UNIVERSITY OF WISCONSIN - MILWAUKEE	BUILDING MAINTENANCE HELPER	CLEANING COMPOUND, NEC.	T	89	89	646	996
CITY - COUNTY HOSPITALS	KITCHEN HELPER	DETERGENT	T	26	26	141	35
COUNTY AGENCY IN COOPERATION WITH STATE AND/OR FEDERAL AGENCY	TESTER	NOT REPORTED	T	154	154	1,262	500
COUNTY HOSPITALS AND RELATED INSTITUTIONS	HOSPITAL ATTENDANT	OTHER MEDICINAL	T	41	41	465	-

T = TEMPORARY TOTAL DISABILITY; TPD = TEMPORARY PARTIAL DISABILITY; PPD = PERMANENT PARTIAL DISABILITY.

TABLE 196.3

COMPENSABLE OCCUPATIONAL DISEASE CASES SETTLED IN 1966

CLASSIFIED BY SOURCE

SOURCE	NUMBER OF CASES				HEALING PERIOD (DAYS)	COMPENSABLE TIME (DAYS)	INDEMNITY PAID	MEDICAL AID PAID IN CASES ON A FEE BASIS		CASES WITH NO FEE REPORTED-CONTRACT MEDICAL AND OTHER	NUMBER OF WOMEN
	TOTAL	KIND OF DISABILITY						NUMBER OF CASES	AMOUNT		
		PERMANENT TOTAL	PERMANENT PARTIAL	TEMPORARY							
TOTAL	981	11	48	922	25,667	77,980	$537,392	886	$186,993	95	315
MACHINES, MACHINERY	6	-	-	6	140	134	1,426	6	762	-	4
PRESS, NEC	1	-	-	1	20	20	213	1	64	-	-
PUNCH PRESS, NEC	1	-	-	1	13	13	147	1	41	-	-
STITCHER	2	-	-	2	21	18	126	2	226	-	2
OTHER OR UNSPECIFIED	2	-	-	2	86	83	940	2	431	-	2
VEHICLES	1	-	-	1	39	39	404	1	150	-	-
TRUCK	1	-	-	1	39	39	404	1	150	-	-
HAND TOOLS	24	-	1	23	461	453	4,585	21	2,797	3	10
FILE	1	-	-	1	11	11	123	1	40	-	1
HAMMER, SLEDGE, MALLET	1	-	-	1	23	23	209	1	634	-	-
PLIERS, PINCERS, TONGS	5	-	-	5	52	43	323	5	423	-	2
PUTTY KNIFE	1	-	1	-	76	101	999	1	470	-	-
SCREWDRIVER	1	-	-	1	23	23	188	1	312	-	1
SCYTHE, SICKLE	1	-	-	1	4	1	7	1	23	-	-
SHOVEL, SPADE	1	-	-	1	9	9	71	1	218	-	-
WRENCH	2	-	-	2	11	5	44	2	75	-	1
UNPOWERED HAND TOOL, NEC	1	-	-	1	13	13	110	1	217	-	-
AIR HAMMER	2	-	-	2	21	18	192	2	34	-	-
AIR, GAS, ELECTRIC TOOL, NEC	2	-	-	2	140	137	1,548	1	17	1	2
SANDER	1	-	-	1	6	3	31	1	25	-	1
POWERED SCREWDRIVER	2	-	-	2	52	52	590	2	304	-	2
WELDING TOOL, NEC	2	-	-	2	16	13	139	-	-	2	-
WRENCH	1	-	-	1	4	1	11	1	5	-	-
WORKING SURFACES	22	-	-	22	543	522	5,395	22	4,453	-	2
BUILDING FLOOR	20	-	-	20	523	505	5,203	20	4,422	-	2
SCAFFOLD FLOOR	1	-	-	1	7	4	45	1	18	-	-
GROUND	1	-	-	1	13	13	147	1	13	-	-
EXPLOSIVE GASES AND VAPORS	7	-	-	7	86	77	806	7	712	-	3
NATURAL GAS	5	-	-	5	68	59	608	5	538	-	3
REFRIGERANT	1	-	-	1	9	9	96	1	45	-	-
SEWER GAS	1	-	-	1	9	9	102	1	129	-	-
COAL AND PETROLEUM PRODUCTS	33	-	2	31	733	999	9,721	32	5,330	1	8
CRUDE OIL, FUEL OIL	2	-	-	2	56	53	541	2	204	-	-
GASOLINE	1	-	-	1	78	78	884	1	398	-	-
KEROSENE	1	-	-	1	31	31	351	1	21	-	1
LUBRICATING, CUTTING OIL AND GREASE	27	-	2	25	538	810	7,639	26	4,410	1	7

Continued on pages 24-27

TABLE 188.27

SELECTED COMPENSABLE OCCUPATIONAL DISEASE CASES SETTLED IN 1966

OCCUPATIONAL DISEASE INDUSTRY	OCCUPATION	SOURCE	KIND OF DISABILITY	HEALING PERIOD	COMPEN-SABLE TIME	AMOUNT OF INDEMNITY PAID	AMOUNT OF MEDICAL AID PAID
AMPUTATION, AS RESULT OF OCCUPATIONAL DISEASE (ALL CASES)							
MFG. INDUSTRIAL CONTROLS	MOLDER	LUBRICATING, CUTTING OIL AND GREASE	PPD	-	38	$ 280	$ 120
ADVERTISING	HANDBILL DISTRIBUTOR	COLD WEATHER	PPD	71	372	559	372
FREEZING, FROSTBITE (SELECTED CASES)							
GASOLINE SERVICE STATIONS	FILLING STATION ATTENDANT	COLD WEATHER	T	27	27	200	45
AUTOMOBILE SERVICES, EXCEPT REPAIR	AUTO WASHER	COLD WEATHER	T	70	70	551	142
	AUTO WASHER	COLD WEATHER	T	42	42	368	436
SPORTS PROMOTERS AND COMMERCIAL OPERATORS, AND MISCELLANEOUS AMUSEMENT AND RECREATION SERVICES	NOT REPORTED	COLD WEATHER	PPD	128	129	1,263	1,379
OCCUPATIONAL LOSS OF HEARING (ALL CASES)							
PLUMBING, HEATING AND AIR CONDITIONING	CONSTRUCTION LABORER, NEC.	REPEATED NOISE	PPD	-	293	2,169	-
STEEL FOUNDRIES	JANITOR	REPEATED NOISE	PPD	-	633	4,698	-
MFG. IRON AND STEEL FORGINGS	FACTORY LABORER, NEC.	REPEATED NOISE	PPD	-	369	2,733	-
	FACTORY LABORER, NEC.	REPEATED NOISE	PPD	-	253	1,938	-
	FACTORY LABORER, NEC.	REPEATED NOISE	PPD	-	288	2,208	-
	FACTORY LABORER, NEC.	REPEATED NOISE	PPD	-	420	3,118	-
	FACTORY LABORER, NEC.	REPEATED NOISE	PPD	-	108	799	-
	FACTORY LABORER, NEC.	REPEATED NOISE	PPD	-	104	769	-
	FACTORY LABORER, NEC.	REPEATED NOISE	PPD	-	467	3,110	-
	FACTORY LABORER, NEC.	REPEATED NOISE	PPD	-	280	2,076	-
	FACTORY LABORER, NEC.	REPEATED NOISE	PPD	-	413	3,062	-
	FACTORY LABORER, NEC.	REPEATED NOISE	PPD	-	431	3,196	-
	INSPECTOR	REPEATED NOISE	PPD	-	130	966	-
	INSPECTOR	REPEATED NOISE	PPD	-	392	2,910	-
	SHEAR OPERATOR	REPEATED NOISE	PPD	-	280	2,076	-
MFG. SHEET METAL WORK	FACTORY LABORER, NEC.	REPEATED NOISE	PPD	-	248	1,843	-
MFG. FARM MACHINERY AND EQUIPMENT	CHIPPER	REPEATED NOISE	PPD	-	128	946	-
MFG. CONSTRUCTION MACHINERY AND EQUIPMENT	FACTORY LABORER, NEC.	REPEATED NOISE	PPD	-	609	4,520	-
	FACTORY LABORER, NEC.	REPEATED NOISE	PPD	-	96	736	-
	FACTORY LABORER, NEC.	REPEATED NOISE	PPD	-	408	3,028	-
MFG. MECHANICAL POWER TRANSMISSION EQUIPMENT, EXCEPT BALL AND ROLLER BEARINGS	FACTORY LABORER, NEC.	REPEATED NOISE	PPD	-	136	1,043	-

TABLE 188.27 (CONTINUED)

OCCUPATIONAL DISEASE INDUSTRY	OCCUPATION	SOURCE	KIND OF DISABILITY	HEALING PERIOD	COMPENSABLE TIME	AMOUNT OF INDEMNITY PAID	AMOUNT OF MEDICAL AID PAID
OCCUPATIONAL LOSS OF HEARING (ALL CASES) (CONTINUED)							
MFG. MOTOR VEHICLES	BLACKSMITH	REPEATED NOISE	PPD	-	184	$ 1,361	$ -
MFG. PASSENGER CAR BODIES	FACTORY LABORER, NEC.	REPEATED NOISE	PPD	-	272	2,087	-
MFG. MOTOR VEHICLE PARTS AND ACCESSORIES	FACTORY LABORER, NEC.	REPEATED NOISE	PPD	-	231	1,716	-
HEAT EXHAUSTION (SELECTED CASES)							
PLUMBING, HEATING AND AIR CONDITIONING	FOREMAN	HEAT	T	32	32	363	40
PAPER MILLS, EXCEPT BUILDING PAPER MILLS	GRINDER MAN	HEAT	T	16	16	171	153
MFG. INDUSTRIAL TRUCKS, TRACTORS, TRAILERS AND STACKERS	SHEAR OPERATOR	HEAT	T	20	20	210	3
LUMBER AND OTHER BUILDING MATERIALS DEALERS	CRANE OPERATOR	HEAT	T	17	17	193	42
HERNIAS (ALL CASES)							
MFG. FARM MACHINERY AND EQUIPMENT	HEATER	REPEATED BODILY MOTION, NEC.	T	48	48	512	-
	SETUP MAN	REPEATED BODILY MOTION, NEC.	T	39	39	416	-
SILICOSIS (ALL CASES)							
GRAY IRON FOUNDRIES	FOUNDRY LABORER, NEC.	SILICA	PTD	-	3,857	28,267	17,863
MALLEABLE IRON FOUNDRIES	FOUNDRY LABORER, NEC.	SILICA	PTD	-	2,958	18,557	-
STEEL FOUNDRIES	FOUNDRY LABORER, NEC.	SILICA	PPD	79	253	894	205
	SETUP MAN	SILICA	PTD	-	3,474	19,546	7,806
MFG. ALUMINUM CASTINGS	FOUNDRY LABORER, NEC.	SILICA	PPD	-	194	2,000	145
MFG. ENAMELED IRON AND METAL SANITARY WARE	FACTORY LABORER, NEC.	SILICA	PPD	-	1,628	10,850	-
	FACTORY LABORER, NEC.	SILICA	PTD	-	4,695	25,470	2,547
MFG. INTERNAL COMBUSTION ENGINES, NEC.	FACTORY LABORER, NEC.	SILICA	PTD	-	3,916	21,244	-
MFG. FARM MACHINERY AND EQUIPMENT	CHIPPER	SILICA	PPD	-	382	813	-
MFG. INDUSTRIAL TRUCKS, TRACTORS, TRAILERS AND STACKERS	MOLDER	SILICA	PTD	-	1,806	16,254	-

TABLE 188.27

OCCUPATIONAL DISEASE INDUSTRY	OCCUPATION	SOURCE	KIND OF DISABILITY	HEALING PERIOD	COMPEN-SABLE TIME	AMOUNT OF INDEMNITY PAID	AMOUNT OF MEDICAL AID PAID
SILICOSIS (ALL CASES) (CONTINUED)							
MFG. MECHANICAL POWER TRANSMISSION EQUIPMENT, EXCEPT BALL AND ROLLER BEARINGS	FACTORY LABORER, NEC.	SILICA	PPD	3,162	3,641	$19,751	$ 339
	FACTORY LABORER, NEC.	SILICA	T	2,148	2,148	11,653	10,708
SILICO-TUBERCULOSIS (ALL CASES)							
MFG. CUT STONE AND STONE PRODUCTS	STONE CUTTER	SILICA	PTD	-	2,006	15,212	-
STEEL FOUNDRIES	MOLDER	SILICA	T	1,153	1,153	8,071	50
	WHEELABRATOR OPERATOR	SILICA	PTD	-	7,318	36,165	-
FABRICATED PLATE WORK (BOILER SHOPS)	FACTORY LABORER, NEC.	SILICA	PTD	-	5,039	23,315	15,967
MFG. MECHANICAL POWER TRANSMISSION EQUIPMENT, EXCEPT BALL AND ROLLER BEARINGS	SANDBLASTER	SILICA	PTD	-	1,482	13,338	-
PNEUMOCONIOSIS, NEC. (ALL CASES)							
MISCELLANEOUS WHOLESALERS	NOT REPORTED	GRAIN DUST	T	75	75	641	1,059
WISCONSIN CONSERVATION DEPT.	CONSERVATION AID	DUST, NEC.	PTD	-	2,847	21,588	561
RADIATION BURN, NEC. (SELECTED CASES)							
MISCELLANEOUS SPECIAL TRADE CONTRACTORS	CONSTRUCTION LABORER, NEC.	WELDING EQUIPMENT	T	12	12	105	51
MFG. CONSTRUCTION MACHINERY AND EQUIPMENT	SERVICEMAN, NEC.	WELDING EQUIPMENT	T	49	49	523	410
MFG. MINING MACHINERY AND EQUIPMENT, EXCEPT OIL FIELD MACHINERY AND EQUIPMENT	CRANE OPERATOR	WELDING EQUIPMENT	T	17	17	181	-
LEAD POISONING (SELECTED CASES)							
SECONDARY SMELTING, REFINING AND ALLOYING OF NONFERROUS METALS AND ALLOYS	CUPOLA CHARGER	LEAD COMPOUND	T	34	34	384	1,289
	MAINTENANCE MAN	LEAD COMPOUND	T	25	25	239	950
MFG. BRASS, BRONZE, COPPER, COPPER BASE ALLOY CASTINGS	FOUNDRY LABORER, NEC.	LEAD COMPOUND	T	51	51	626	1,282
MFG. PLUMBING FIXTURE FITTING AND TRIM (BRASS GOODS)	MOLDER	LEAD COMPOUND	T	37	37	419	402
MFG. MINING MACHINERY AND EQUIPMENT, EXCEPT OIL FIELD MACHINERY AND EQUIPMENT	BENCH HAND	LEAD COMPOUND	T	142	142	965	212

TABLE 188.27 (CONTINUED)

OCCUPATIONAL DISEASE INDUSTRY	OCCUPATION	SOURCE	KIND OF DISABILITY	HEALING PERIOD	COMPEN-SABLE TIME	AMOUNT OF INDEMNITY PAID	AMOUNT OF MEDICAL AID PAID
LEAD POISONING (SELECTED CASES) (CONTINUED)							
MFG. STORAGE BATTERIES	FACTORY LABORER, NEC.	LEAD COMPOUND	T	27	27	$246	$ 882
MISCELLANEOUS WHOLESALERS	SCRAPYARD WORKER	LEAD COMPOUND	T	34	34	305	825
	SCRAPYARD WORKER	LEAD COMPOUND	T	51	51	371	1,072
MERCURY POISONING (SELECTED CASES)							
MFG. CURRENT CARRYING WIRING DEVICES	FACTORY LABORER, NEC.	MERCURY	T	69	69	736	1,179
SYSTEMIC POISONING, NEC. (SELECTED CASES)							
GENERAL BUILDING CONTRACTORS	TRACTOR OPERATOR	CEMENT, CONCRETE	T	46	46	521	91
ARTHRITIS (SELECTED CASES)							
GENERAL BUILDING CONTRACTORS	CARPENTER	COLD WEATHER	T	85	85	963	411
MFG. CHEESE	MOLDER	REPEATED BODILY MOTION, NEC.	T	22	22	249	33
BURSITIS (SELECTED CASES)							
SAWMILLS AND PLANING MILLS, GENERAL	SAWYER	REPEATED BODILY MOTION, NEC.	T	26	26	200	112
GANGLION (SELECTED CASES)							
MFG. INTERNAL COMBUSTION ENGINES, NEC.	MACHINE OPERATOR, NEC.	REPEATED BODILY MOTION, NEC.	T	29	29	309	431
	MACHINE OPERATOR, NEC.	REPEATED BODILY MOTION, NEC.	T	35	35	397	346
MYOSITIS (SELECTED CASES)							
MFG. CONSTRUCTION MACHINERY AND EQUIPMENT	WELDER	REPEATED BODILY MOTION, NEC.	T	60	60	680	170
MFG. INDUSTRIAL CONTROLS	ASSEMBLER	REPEATED BODILY MOTION, NEC.	T	74	74	840	
TENDONITIS (SELECTED CASES)							
BOOK PRINTING	BOOKBINDER	REPEATED BODILY MOTION, NEC.	T	53	53	565	443
	CUTTER OPERATOR	REPEATED BODILY MOTION, NEC.	T	22	22	249	354
MFG. MOTOR VEHICLES	ASSEMBLER	REPEATED BODILY MOTION, NEC.	T	33	33	330	
TENOSYNOVITIS (SELECTED CASES)							
MFG. RAINCOATS AND OTHER WATER-PROOF OUTER GARMENTS	SEWING MACHINE OPERATOR	REPEATED BODILY MOTION, NEC.	T	75	75	508	56

TABLE 188.27 (CONTINUED)

OCCUPATIONAL DISEASE INDUSTRY	OCCUPATION	SOURCE	KIND OF DISABILITY	HEALING PERIOD	COMPEN-SABLE TIME	AMOUNT OF INDEMNITY PAID	AMOUNT OF MEDICAL AID PAID
TENOSYNOVITIS (SELECTED CASES) (CONTINUED)							
MFG. ENAMELED IRON AND METAL SANITARY WARE	MOLDER	REPEATED BODILY MOTION, NEC.	T	26	26	$ 295	$124
MFG. MISCELLANEOUS FABRICATED WIRE PRODUCTS	ASSEMBLER	REPEATED BODILY MOTION, NEC.	PPD	96	108	1,113	482
MFG. INTERNAL COMBUSTION ENGINES, NEC.	DRILL PRESS OPERATOR	PIPE, PIPING (REPEATED PRESSURE)	TPD	27	27	65	66
MFG. MOTOR VEHICLES	ASSEMBLER	REPEATED BODILY MOTION, NEC.	T	47	47	533	
CITY OR VILLAGE GOVERNMENT, NEC.	LABORER, NEC.	REPEATED BODILY MOTION, NEC.	T	56	56	457	916
INFLAMMATION OR IRRITATION OF JOINTS, TENDONS AND MUSCLES (SELECTED CASES)							
PAINTING, PAPERHANGING AND DECORATING	CONSTRUCTION LABORER, NEC.	STATIC POSITION	T	103	103	1,030	55
MASONRY, STONEWORK, TILE SETTING AND PLASTERING	HOD CARRIER	REPEATED BODILY MOTION, NEC.	T	69	69	736	995
	CONSTRUCTION LABORER, NEC.	DAMPNESS, MOISTURE	T	31	31	351	50
MEAT PACKING PLANTS	PACKING PLANT WORKER, NEC.	REPEATED BODILY MOTION, NEC.	T	99	99	1,004	
	BUTCHER	REPEATED BODILY MOTION, NEC.	PPD	71	236	1,981	621
POULTRY AND SMALL GAME DRESSING AND PACKING, WHOLESALE	POULTRY DRESSER	REPEATED BODILY MOTION, NEC.	T	26	26	148	106
	POULTRY DRESSER	REPEATED BODILY MOTION, NEC.	T	38	38	222	47
	POULTRY DRESSER	REPEATED BODILY MOTION, NEC.	T	41	41	239	85
MFG. MALT LIQUORS	BREWERY WORKER	REPEATED BODILY MOTION, NEC.	PPD	-	186	1,377	75
KNITTING MILLS, NEC.	FACTORY LABORER, NEC.	REPEATED BODILY MOTION, NEC.	PPD	11	79	545	-
MFG. WOOD HOUSEHOLD FURNITURE, UPHOLSTERED	FACTORY LABORER, NEC.	BUILDING FLOOR (FROM KNEELING ON, ETC.)	T	84	84	874	425
PAPERBOARD MILLS	PAINTER, APPRENTICE	BUILDING FLOOR (FROM KNEELING ON, ETC.)	T	78	78	832	655
	FACTORY LABORER, NEC.	REPEATED BODILY MOTION, NEC.	T	32	32	314	309

TABLE 108.27 (CONTINUED)

OCCUPATIONAL DISEASE INDUSTRY	OCCUPATION	SOURCE	KIND OF DISABILITY	HEALING PERIOD	COMPEN-SABLE TIME	AMOUNT OF INDEMNITY PAID	AMOUNT OF MEDICAL AID PAID
INFLAMMATION OR IRRITATION OF JOINTS, TENDONS AND MUSCLES (CONTINUED)							
BOOK PRINTING	BINDERY WORKER	REPEATED BODILY MOTION, NEC.	T	61	61	$ 602	$ 509
	FACTORY LABORER, NEC.	REPEATED BODILY MOTION, NEC.	T	34	34	346	311
MFG. TIRES AND INNER TUBES	FACTORY LABORER, NEC.	REPEATED BODILY MOTION, NEC.	T	65	65	693	425
MFG. FABRICATED RUBBER PRODUCTS, NEC.	TRIMMER, NEC.	REPEATED BODILY MOTION, NEC.	T	25	25	163	48
LEATHER TANNING AND FINISHING	GLUER	REPEATED BODILY MOTION, NEC.	T	28	28	255	68
MFG. FOOTWEAR, EXCEPT HOUSE SLIPPERS AND RUBBER FOOTWEAR	TRAINEE	REPEATED BODILY MOTION, NEC.	T	48	48	291	25
MFG. METAL DOORS, SASH, FRAMES, MOLDING AND TRIM	FACTORY LABORER, NEC.	REPEATED BODILY MOTION, NEC.	T	57	57	513	25
FABRICATED PLATE WORK (BOILER SHOPS)	CUTOFF OPERATOR	REPEATED BODILY MOTION, NEC.	T	32	32	341	577
	FACTORY LABORER, NEC.	BUILDING FLOOR (FROM KNEELING ON, ETC.)	T	64	64	683	187
	FACTORY LABORER, NEC.	REPEATED BODILY MOTION, NEC.	T	44	44	499.	189
MFG. SHEET METAL WORK	ELECTRICIAN, MAINTENANCE	REPEATED BODILY MOTION, NEC.	PPD	108	708	5,602	1,711
MFG. METAL STAMPINGS	PRESS OPERATOR, NEC.	REPEATED BODILY MOTION, NEC.	T	42	42	331	74
MFG. INTERNAL COMBUSTION ENGINES, NEC.	MACHINE OPERATOR, NEC.	UNSPECIFIED MACHINE (REPEATED PRESSURE)	T	79	79	895	297
	MACHINE OPERATOR, NEC.	REPEATED BODILY MOTION, NEC.	T	30	30	336	128
MFG. INDUSTRIAL CONTROLS	ASSEMBLER	AIR, GAS, ELECTRIC TOOL, NEC. (REPEATED PRESSURE)	T	135	135	1,530	
	ASSEMBLER	POWERED SCREWDRIVER (REPEATED PRESSURE)	T	35	35	397	256
	FACTORY LABORER, NEC.	REPEATED BODILY MOTION, NEC.	T	41	41	459	
MFG. ELECTRIC HOUSEWARES AND FANS	ASSEMBLER	REPEATED BODILY MOTION, NEC.	T	60	60	346	12
MFG. RADIO AND TELEVISION RECEIVING SETS, EXCEPT COMMUNICATION TYPES	ASSEMBLER	REPEATED BODILY MOTION, NEC.	T	42	42	336	45

TABLE 188.27 (CONTINUED)

OCCUPATIONAL DISEASE INDUSTRY	OCCUPATION	SOURCE	KIND OF DISABILITY	HEALING PERIOD	COMPEN-SABLE TIME	AMOUNT OF INDEMNITY PAID	AMOUNT OF MEDICAL AID PAID
INFLAMMATION OR IRRITATION OF JOINTS, TENDONS AND MUSCLES (CONTINUED)							
MFG. RADIO AND TELEVISION TRANSMITTING, SIGNALING AND DETECTION EQUIPMENT AND APPARATUS	PLANT PATROLMAN	REPEATED BODILY MOTION, NEC.	PPD	13	70	$ 586	$ 549
MFG. ELECTRICAL EQUIPMENT FOR INTERNAL COMBUSTION ENGINES	FACTORY LABORER, NEC.	REPEATED BODILY MOTION, NEC.	T	153	153	1,578	936
MFG. PASSENGER CAR BODIES	WELDER	REPEATED BODILY MOTION, NEC.	T	48	48	512	150
TELEPHONE COMMUNICATION (WIRE OR RADIO)	LINEMAN, TELEPHONE	REPEATED BODILY MOTION, NEC.	T	162	162	1,728	2,069
REAL ESTATE OPERATORS (EXCEPT DEVELOPERS) AND LESSORS	CHARWOMAN	REPEATED BODILY MOTION, NEC.	T	99	99	433	110
HOTELS, TOURIST COURTS AND MOTELS	MAID	REPEATED BODILY MOTION, NEC.	T	33	33	158	30
MISCELLANEOUS REPAIR SHOPS AND RELATED SERVICES	LABORER, NEC.	REPEATED BODILY MOTION, NEC.	T	48	48	512	62
HEPATITIS, INFECTIOUS (ALL CASES)							
MFG. CHEESE	CHEESEMAKER	INFECTIOUS, PARASITIC AGENT, NEC.	T	8	5	57	44
HOSPITALS	LABORATORY TECHNICIAN	INFECTIOUS, PARASITIC AGENT, NEC.	T	63	63	496	147
	PRACTICAL NURSE	INFECTIOUS, PARASITIC AGENT, NEC.	T	32	32	267	24
WISCONSIN PUBLIC WELFARE DEPT.	INSTITUTION AID	INFECTIOUS, PARASITIC AGENT, NEC.	T	29	29	308	449
	INSTITUTION AID	INFECTIOUS, PARASITIC AGENT, NEC.	T	37	37	338	45
	INSTITUTION AID	INFECTIOUS, PARASITIC AGENT, NEC.	T	53	53	478	383
	INSTITUTION AID	INFECTIOUS, PARASITIC AGENT, NEC.	T	575	575	5,187	301
	INSTITUTION AID	INFECTIOUS, PARASITIC AGENT, NEC.	T	106	106	967	1,730
	INSTITUTION AID	INFECTIOUS, PARASITIC AGENT, NEC.	T	221	221	1,383	2,694
	PRACTICAL NURSE	INFECTIOUS, PARASITIC AGENT, NEC.	T	345	345	3,474	308
	REGISTERED NURSE	INFECTIOUS, PARASITIC AGENT, NEC.	T	45	45	510	592
	TEACHER	INFECTIOUS, PARASITIC AGENT, NEC.	T	40	40	453	58

TABLE 188.27 (CONTINUED)

OCCUPATIONAL DISEASE INDUSTRY	OCCUPATION	SOURCE	KIND OF DISABILITY	HEALING PERIOD	COMPENSABLE TIME	AMOUNT OF INDEMNITY PAID	AMOUNT OF MEDICAL AID PAID
HEPATITIS, INFECTIOUS (ALL CASES) (CONTINUED)							
CITY OR VILLAGE HOSPITALS AND RELATED INSTITUTIONS	LABORATORY TECHNICIAN	INFECTIOUS, PARASITIC AGENT, NEC.	T	174	174	$1,457	$1,249
PSITTACOSIS (ALL CASES)							
UNIVERSITY OF WISCONSIN	LABORATORY TECHNICIAN	INFECTIOUS, PARASITIC AGENT, NEC.	T	99	99	938	82
CITY OR VILLAGE HEALTH DEPT.	BACTERIOLOGIST	INFECTIOUS, PARASITIC AGENT, NEC.	T	20	20	227	54
SALMONELLA (ALL CASES)							
COUNTY HOSPITALS AND RELATED INSTITUTIONS	KITCHEN HELPER	INFECTIOUS, PARASITIC AGENT, NEC.	T	30	30	245	30
SHIGELLA (ALL CASES)							
WISCONSIN PUBLIC WELFARE DEPT.	INSTITUTION AID	INFECTIOUS, PARASITIC AGENT, NEC.	T	24	24	272	32
STAPHYLOCOCCUS INFECTION (SELECTED CASES)							
WHOLESALE GROCERIES & RELATED PRODUCTS	WHOLESALE SALESMAN	INFECTIOUS, PARASITIC AGENT, NEC.	PPD	52	76	773	349
WHOLESALE MACHINERY, EQUIPMENT AND SUPPLIES	MANAGER, NEC.	INFECTIOUS, PARASITIC AGENT, NEC.	PPD	39	63	561	1,471
WISCONSIN PUBLIC WELFARE DEPT.	INSTITUTION AID	INFECTIOUS, PARASITIC AGENT, NEC.	T	28	28	299	213
TUBERCULOSIS (ALL CASES)							
HOSPITALS	STUDENT NURSE	INFECTIOUS, PARASITIC AGENT, NEC.	PPD	153	453	1,586	2,832
TYPHOID FEVER (ALL CASES)							
HOSPITALS	HOSPITAL ATTENDANT	INFECTIOUS, PARASITIC AGENT, NEC.	T	28	28	65	169
COUNTY HOSPITALS AND RELATED INSTITUTIONS	HOSPITAL ATTENDANT	INFECTIOUS, PARASITIC AGENT, NEC.	T	53	53	407	511
UNDULANT FEVER (ALL CASES)							
MEAT PACKING PLANTS	PACKING PLANT WORKER, NEC.	INFECTIOUS, PARASITIC AGENT, NEC.	T	16	16	181	11
	PACKING PLANT WORKER, NEC.	INFECTIOUS, PARASITIC AGENT, NEC.	T	23	23	261	88
	PACKING PLANT WORKER, NEC.	INFECTIOUS, PARASITIC AGENT, NEC.	T	103	103	1,099	
	PACKING PLANT WORKER, NEC.	INFECTIOUS, PARASITIC AGENT, NEC.	T	22	22	249	425

TABLE 188.27 (CONTINUED)

OCCUPATIONAL DISEASE INDUSTRY	OCCUPATION	SOURCE	KIND OF DISABILITY	HEALING PERIOD	COMPENSABLE TIME	AMOUNT OF INDEMNITY PAID	AMOUNT OF MEDICAL AID PAID
UNDULANT FEVER (ALL CASES) (CONTINUED)							
MEAT PACKING PLANTS (CONTINUED)	PACKING PLANT WORKER, NEC.	INFECTIOUS, PARASITIC AGENT, NEC.	T	30	30	$ 340	$ 166
FUNGUS INFECTION, NEC. (SELECTED CASES)							
LEATHER TANNING AND FINISHING	HIDE TRIMMER	INFECTIOUS, PARASITIC AGENT, NEC.	T	99	99	278	
BRONCHITIS (SELECTED CASES)							
MFG. CHEESE	DAIRY PLANT WORKER	NATURAL GAS	T	40	40	411	245
MFG. TIRES AND INNER TUBES	FACTORY LABORER, NEC.	FUME, GAS, NEC.	T	6	3	27	603
CALLOSITY (SELECTED CASES)							
MILLWORK PLANTS	FACTORY WORKER, NEC.	PUTTY KNIFE (REPEATED FRICTION)	PPD	76	101	999	470
CYST (SELECTED CASES)							
COUNTY HIGHWAY DEPT.	TRUCK DRIVER	TRUCK (REPEATED FRICTION)	T	39	39	404	150
HYDRARTHROSIS (SELECTED CASES)							
GENERAL BUILDING CONTRACTORS	CARPENTER	BUILDING FLOOR (BY KNEELING ON, ETC.)	T	26	26	277	545
MASONRY, STONEWORK, TILE SETTING AND PLASTERING	TILE SETTER	BUILDING FLOOR (BY KNEELING ON, ETC.)	T	58	58	619	483
FURNITURE, HOME FURNISHINGS AND EQUIPMENT STORES	CARPET AND RESILIENT FLOOR LAYER	REPEATED BODILY MOTION, NEC.	T	51	51	544	1,068
	TILE SETTER	BUILDING FLOOR (BY KNEELING ON, ETC.)	T	44	44	469	354
INFLAMMATION, NEC. (SELECTED CASES)							
PLUMBING, HEATING AND AIR CONDITIONING	SHEET METAL WORKER	PAINT, VARNISH, SHELLAC	PPD	120	270	2,269	1,307
ELECTROPLATING, PLATING, POLISHING, ANODIZING AND COLORING	FACTORY LABORER, NEC.	CHROMIUM COMPOUND	PPD	-	120	855	12
MFG. MISCELLANEOUS MACHINERY, EXCEPT ELECTRICAL	MACHINIST	CHEMICAL, NEC.	T	26	26	319	641
LOSS OF VISION, OCCUPATIONAL (ALL CASES)							
WHOLESALE MACHINERY, EQUIPMENT AND SUPPLIES	STEAMFITTER	WELDING EQUIPMENT	PPD	-	1,192	8,496	176
NEURASTHENIA (SELECTED CASES)							
GROCERY STORES	BUTCHER	OCCUPATION, PER SE	T	67	67	759	228

TABLE 188.27 (CONTINUED)

OCCUPATIONAL DISEASE INDUSTRY	OCCUPATION	SOURCE	KIND OF DISABILITY	HEALING PERIOD	COMPEN-SABLE TIME	AMOUNT OF INDEMNITY PAID	AMOUNT OF MEDICAL AID PAID
NEURITIS (ALL CASES)							
SPORTS PROMOTERS AND COMMERCIAL OPERATORS, AND MISCELLANEOUS AMUSEMENT AND RECREATION SERVICES	ATHLETE	REPEATED BODILY MOTION, NEC.	T	30	30	$ 300	$ 20
PROTRUSION, DISC (ALL CASES)							
HIGHWAY AND STREET CONSTRUCTION, EXCEPT ELEVATED HIGHWAYS	MACHINE OPERATOR, NEC.	RIDING	T	25	25	283	690
RETAIL HARDWARE AND FARM EQUIPMENT	MECHANIC, NEC.	RIDING	T	6	3	32	252
SCIATICA (ALL CASES)							
SHOE STORES	RETAIL SALESCLERK	REPEATED BODILY MOTION, NEC.	T	33	33	148	107
SEPTICEMIA (SELECTED CASES)							
CITY OR VILLAGE SEWAGE DEPT.	OPERATING ENGINEER, NEC.	ENVIRONMENTAL, ATMOS-PHERIC CONDITIONS, NEC.	PPD	112	232	2,085	2,805
RESPIRATORY INFECTION, NEC. (SELECTED CASES)							
GENERAL BUILDING CONTRACTORS	CORPORATE OFFICER	DUST, NEC.	T	53	53	565	492
MFG. TIRES AND INNER TUBES	FACTORY LABORER, NEC.	FUME, GAS, NEC.	T	182	182	1,820	93
MFG. MISCELLANEOUS PLASTICS PRODUCTS	MOLDER	TOLUENE (DIISOCYANATE)	T	40	40	423	142
	FACTORY LABORER, NEC.	SOLVENT, NEC.	T	35	35	237	331
ELECTROPLATING, PLATING, POLISHING, ANODIZING AND COLORING	FACTORY LABORER, NEC.	FUME, GAS, NEC.	T	37	37	297	123
MFG. MOTORCYCLES, BICYCLES AND PARTS	FACTORY LABORER, NEC.	NOT REPORTED	T	44	44	339	107
HOTELS, TOURIST COURTS AND MOTELS	PAINTER	AMMONIA	T	50	50	350	718
SPUR (ALL CASES)							
MISCELLANEOUS WHOLESALERS	TRUCK DRIVER	STEPPING DOWN (REPEATED)	T	40	40	453	334

NOTE: T = TEMPORARY TOTAL DISABILITY; TPD = TEMPORARY PARTIAL DISABILITY; PPD = PERMANENT PARTIAL DISABILITY; PTD = PERMANENT TOTAL DISABILITY.

3-69

Area wages and living costs

Some high wage areas have lower living costs than areas with comparatively low wages

JAMES N. HOUFF

WAGES AND LIVING COSTS vary considerably among the Nation's metropolitan areas, but there is no consistent relationship between them. In fact, reversals of the expected pattern are common—some areas with relatively high wages have much lower living costs than areas where wages are comparatively low. These observations arise from a study of pay levels and living costs in 28 metropolitan areas in 1966–67.

Area differences

Historically, wages have been much lower in the South than in the remainder of the country.[1] The difference, however, is far greater for unskilled workers than for those with acquired skills, as shown in table 1. Among the 28 areas studied, earnings for unskilled plant workers ranged from 24 percent above the national average in San Francisco-Oakland to 25 percent below in Atlanta; the corresponding spread for skilled maintenance workers was from 13 percent above in the San Francisco area to 19 percent below the national average in Portland, Me. Average hourly earnings of skilled maintenance workers were 5 percent or more above the national level in each of the four west coast areas, and in Chicago, Detroit, and Milwaukee; at the national average in Baltimore, Houston, and Pittsburgh; and below the all-metropolitan areas' average in each of the remaining southern areas, and in Boston, Cincinnati, Denver, Green Bay, Philadelphia, Portland, Me., and Wichita.

Considerably different area ranking results when living costs are compared. Although living costs were relatively low in all of the southern areas except Washington, and high in most of the high-wage areas, several exceptions are apparent. Living costs in Boston, for example, were exceeded only by those in the New York-Northeastern New Jersey area; but the area ranked 23d for wages paid to skilled maintenance workers. Conversely, Detroit, with the second highest level of skilled wages, ranked 21st according to living costs.

Living costs in the New York area were 9 percent above the average for all metropolitan areas. Wages of skilled maintenance workers there, however, were only slightly above the national level, being exceeded in one-half of the areas studied.

Living costs in three southern areas (Atlanta, Dallas, and Houston) were approximately 10 percent below the average for all metropolitan areas. Wages of skilled workers in Houston equaled the national average and were 6 percent higher than those in Atlanta and almost 10 percent above those in Dallas. Although wages of skilled maintenance workers were nearly the same in Houston and the New York area, living costs in New York exceeded those in Houston by 22 percent.

Average wages of skilled maintenance workers were only slightly more in Boston than in Atlanta; living costs in this New England area, however, were 20 percent greater than in Atlanta.

To illustrate the association, or lack of it, between living costs and wage levels among the areas, indexes of relative advantage $\left\{\frac{\text{wage relative}}{\text{budget cost relative}}\right\}$ are shown in table 1. If differences in living costs compensated perfectly for differences in wage level, then the indexes of relative advantage would be 100. However, the indexes reveal that the range for the relative advantage estimates is nearly the same as for the wage relatives themselves. For instance, the relative advantage for skilled maintenance workers ranges from 82 to 115, while the wage relatives for this occupational group range from 81 to 113. The gain is most pronounced for a few southern areas.[2]

James N. Houff is an economist in the Division of Occupational Wage Structures, Bureau of Labor Statistics.

[1] See H. M. Douty, "Wage Differentials: Forces and Counterforces," *Monthly Labor Review*, March 1968, pp. 74–81.

[2] The weakness of the association can be measured by the low correlation between living costs and wage levels. The r^2 of .08, indicating that 8 percent of the variability in wages is associated with variability in budget costs, is not statistically significant.

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PAGINATION INCORRECT

It is clear that the relative advantage enjoyed by skilled maintenance workers in the South does not extend to the unskilled group.[3] The index for unskilled plant workers in Houston (87) differs substantially from that for skilled maintenance workers there (112). Atlanta, in the indexes for the unskilled group, ranks below Boston and Portland, Me., but the relative advantage index for skilled labor in Atlanta was considerably higher than those for the two New England areas.

Causes of wage differences

Area differences in wages for similarly employed workers are frequently more the result of factors other than differences in living costs as measured by the City Worker's Family Budget.[4]

Wages have historically tended to be lowest in the South and highest on the west coast and the highly industrialized cities of the North Central region. This, at least to some extent, reflects differences in the availability of labor in these regions when the relative wage levels were first established. As the South began emerging from an agricultural economy, it had a surplus of labor. The development of industry on the west coast, however, had its beginnings with a shortage of labor.

Other factors, of course, help explain area wage differentials. One of the most important of these is a difference in industrial composition. The high

[3] The lack of budget costs at income levels similar to the family income levels of unskilled plant workers makes comparison difficult. The Bureau is currently developing estimates of the spring 1967 costs of the moderate standard budget and of budgets for a lower and a higher living standard. Comparative living cost indexes based on the lower standard budget will be more appropriate for use with wage data for unskilled plant workers. Examination of preliminary data for the Spring 1967 moderate standard budget indicates that new data will not change the fact that little correlation exists between wages and living costs.

[4] See *City Worker's Family Budget for a Moderate Living Standard, Autumn 1966* (BLS Bulletin 1570-1). See also Jean C. Brackett and Helen H. Lamale, "Area Differences in Living Costs," in *Proceedings of the Social Statistics Section 1967 Annual Meetings, American Statistical Association*, Washington, D.C. pp. 144-148.

Table 1. Indexes of total cost of the city worker's family budget, average earnings[1] of workers in selected occupational groups, and relative advantage[2] in 28 metropolitan areas, 1966-67

[All metropolitan areas=100]

Area[3]	Cost of city worker's family budget, autumn 1966	Average earnings[1]			Relative advantage[2]		
		Skilled maintenance	Unskilled plant	Office clerical	Skilled maintenance	Unskilled plant	Office clerical
New York-Northeastern New Jersey[3]	109	101	107	103	93	98	94
Boston	108	95	93	94	88	86	87
San Francisco-Oakland	105	113	124	109	108	118	104
Buffalo	104	102	105	100	98	101	96
Milwaukee	104	105	109	98	101	105	94
Seattle-Everett	103	105	121	107	102	117	104
Chicago[3]	101	107	107	104	106	106	103
Los Angeles-Long Beach[3]	101	105	114	111	104	113	110
Minneapolis-St. Paul	101	103	109	93	102	108	92
Indianapolis	100	103	102	98	103	102	98
Washington	100	96	83	103	96	83	103
Cleveland	99	103	108	103	104	109	104
Portland, Maine	99	81	85	83	82	86	84
St. Louis	99	104	105	98	105	106	99
San Diego	99	108	114	106	109	115	107
Denver	98	99	102	99	101	104	101
Kansas City	98	103	102	96	105	104	98
Philadelphia	98	99	104	96	101	106	98
Green Bay	97	90	108	93	93	111	96
Wichita	97	95	98	99	98	101	102
Cincinnati	96	98	102	97	102	106	101
Detroit	96	110	120	115	115	125	120
Pittsburgh	95	100	108	102	105	114	107
Baltimore	94	100	90	97	106	96	103
Dayton	93	104	110	106	112	118	114
Atlanta	90	94	75	99	104	83	110
Dallas	90	91	79	93	101	88	103
Houston	89	100	77	100	112	87	112

[1] The wage data for skilled maintenance and unskilled plant workers relate to average hourly earnings excluding premium pay for overtime and for work on weekends, holidays, and late shifts. Earnings for office clerical workers relate to regular straight-time salaries paid for standard workweeks.

[2] Indexes of relative advantage show the association, or lack thereof, between living costs and earnings levels of selected occupational groups among the areas studied. These indexes were computed by dividing the area wage relative by the budget cost relative, and multiplying the result by 100.

[3] Standard Metropolitan Statistical Areas (SMSA) as defined by the Bureau of the Budget with the following exceptions: (1) The Standard Consolidated Area (SCA) is used for the New York-Northeastern New Jersey area in both the earnings and budget cost indexes except that the New Jersey portion of the SCA does not include Middlesex and Somerset counties in the earnings indexes. (2) The Chicago area relates to the Chicago SMSA in the wage comparisons, but relates to the Chicago-Northwestern Indiana Standard Consolidated Area (Chicago SMSA and Gary-Hammond-East Chicago SMSA) in the budget cost indexes; and (3) The Los Angeles-Long Beach area relates to the Los Angeles-Long Beach SMSA in the budget cost indexes, but relates to the combined SMSA's of Los Angeles-Long Beach and Anaheim-Santa Ana-Garden Grove in the wage comparisons.

wage level in Detroit, for example, reflects the influence of the auto industry which is concentrated in that area. Houston has a higher level of wages than most of the other southern areas covered by this study, probably because of the location there of such high-wage industries as chemicals and petroleum refining. Variations in the extent of collective bargaining, size of establishment, and size of community also have their influences on the level of earnings in an area.

Factors influencing living costs

Living costs, on the other hand, are determined by a different set of factors. The City Worker's Family Budget measures the annual income required by a self-supporting family of a specific size, age, composition, residence, and employment status to maintain a moderate living standard. Thus, it measures not only the cost of various goods and services but takes into account area differences with respect to how such a living standard is achieved—either by custom or necessity. Expenditures for clothing, housing, and heating are, for example, necessarily higher in some northern cities than in those of the South since the need for heavy clothes, well-insulated houses, and fuel is greater.

Factors such as regional food preferences, differences in State and local taxes, and variations in prices of consumer goods are also important in explaining the difference in living costs from place to place. Of course, the level of wages has some influence on living costs, but it is by no means the chief determinant.

Trends and outlook

Area wage relationships have remained relatively stable for several years. Although comparable data are available for only a few of the 28 areas covered by the study, the relative wage levels for maintenance workers in these areas have remained about the same since 1951. (See table 2.)

Changes in area relationships over the 15-year period were greater for living costs[5] than for wages of maintenance workers. At least part of the reported differences, however, is due to changes in the housing component of the City Worker's Family Budget. Previously, rental costs were based on average rents for all units meeting the adequacy criteria. In the autumn 1966 budget, however, rental costs were based on a narrower range of dwelling unit quality. As a result, the published cost for rental housing in Atlanta (the most extreme example), was only 18 percent higher in 1966 than the estimate published in 1951, whereas the total budget costs for renter families in Atlanta has increased by nearly 90 percent over the 15-year period. In contrast, New York's rental housing costs have gone up by about 81 percent and total budget costs have risen 122 percent since 1951. However, it should be noted that in New York (used as the base for the computation in the table), rent control was in effect in 1951 but by 1966 covered relatively fewer units.

H. M. Douty indicated in his study of regional wage differentials[6] that "It is unlikely that the southern wage differential, however, measured, will disappear in the near future." The forces that may eventually close the wage gap work slowly. Similarly, area differences in living costs are not expected to change materially over the short run.

Table 2. Indexes of average earnings[1] for maintenance workers and total cost of city worker's family budget,[2] 1951 and 1966–67

[New York = 100]

Area	Earnings[1] of maintenance workers		Cost of city worker's family budget[2]	
	1951	1966–67	1951	1966
San Francisco-Oakland	112	112	104	105
Chicago	107	106	102	97
Dayton	104	103	(3)	93
Baltimore	94	99	103	95
Boston	92	94	103	100
Atlanta	91	93	106	90
Dallas	87	90	(3)	91

[1] Excludes premium pay for overtime and for work on weekends, holidays, and late shifts.
[2] Rental families only.
[3] Data not available.

Scope and method

The areas covered by the study include those for which current information was available for both wages and living costs. Each area consists of one or more Standard Metropolitan Statistical Areas, as defined by the Bureau of the Budget.

[5] Living costs comparisons in this instance are limited to renter families as this was the only measure used in the 1951 budget; data for homeowner families were included in the 1966 budget but separate data are available for renter families.

[6] Douty, op. cit., p. 80.

Information on wage levels was obtained from individual reports issued in connection with the Bureau of Labor Statistics' 1966–67 study of occupational earnings in metropolitan areas.[7] These studies cover all establishments in the area of a specified employment size in six major industry divisions.[8] The wage data relate to average straight-time hourly earnings for plant workers and weekly salaries for office workers. The averages exclude premium pay for overtime and for work on weekends, holidays, and late shifts. Data in this article are provided separately for three occupational groups: Skilled maintenance workers, unskilled plant workers, and office clerical workers. The first group, however, provides the best comparison with living costs data. Earnings of skilled maintenance workers more nearly approach the income level required by the standard budget established to measure living costs.

Information on living costs was obtained from the City Worker's Family Budget which provides estimates of the annual cost in autumn 1966 for a moderate living standard for a "well-established" family of four in the middle stage of the family life cycle. Cost estimates are available for the urban U.S. average and separately for the urban part of 39 metropolitan areas. The comparative indexes based on this budget reflect not only the differences among areas in price levels but also climatic or regional differences in the quantities and types of items required to provide the specified standard of living, and differences in State and local taxes.

Average earnings for each of the three occupational groups and the cost of the City Worker's Family Budget for each area have been expressed as a percent of the averages for all Standard Metropolitan Statistical Areas combined.

[7] This program which annually develops separate information for 85 metropolitan areas also provides data for all of the Nation's metropolitan areas combined. See *Wages and Related Benefits, Part II: Metropolitan Areas, United States and Regional Summaries, 1966–67* (BLS Bulletin 1530–87, 1968).

[8] Includes manufacturing; transportation, communication, and other public utilities; wholesale trade; retail trade; finance, insurance, and real estate; and selected services.

INSTITUTE OF LABOR AND INDUSTRIAL RELATIONS

WORKMEN'S COMPENSATION IN ILLINOIS

BULLETIN

AFL-CIO SAFETY PROGRAM

LET'S PUT A UNION

The trade union label is a symbol of labor-management cooperation. The time is here and now to put a "union label" on the safety movement of America.

What would a "union label" on America's safety movement mean?

First, it would mean widespread cooperation between management and labor in joint efforts to reduce the annual toll of some 14,000 deaths and 2,000,000 lost-time accidents which occur with sickening regularity in the occupational life of America.

Second, it would mean widespread adoption of the labor movement's approach to safety and occupational health based upon this three-pronged program:

- Labor-management relations
- Training and education in safety
- Legislation

Today America continues to make progress through tragedy in matters of safety and occupational health. With every catastrophe America inches ahead in its safety effort. Between tragedies America relapses into its customary, sluggish "safety campaigns" characterized more by oratory and exhortation than by action and progress.

Today the labor movement is ready, able and willing to make progress through its three-pronged attack upon unsafe and unhealthful conditions on-and-off the job.

It's time for a change! And that change can come if the labor movement continues to make progress based upon its own effective three-pronged approach.

Progress in safety requires action—cooperative action. The 1959 Convention of the AFL-CIO recognized this fact when it declared:

> "That the AFL-CIO establish through its Standing Committee on Safety and Occupational Health an AFL-CIO Trade Union Safety Movement."

LABEL ON SAFETY!

A trade union safety movement demonstrates its belief in cooperation by calling on each AFL-CIO affiliate to make a common effort to achieve safety and occupational health. This demonstration of the benefits of cooperation stimulates cooperation between management and labor.

A trade union safety movement enables each affiliate to contribute its knowledge and experience to all other affiliates.

A trade union safety movement informs conventions of the AFL-CIO on matters of safety and health affecting the lives of American workers and implements policies adopted by the conventions.

A trade union safety movement demonstrates that progress can be made by joint action of labor and management.

A trade union safety movement improves methods of training and education among trade unionists by uniting common experiences of its affiliated member unions.

A trade union safety movement works for the achievement of national safety legislation recommended by the AFL-CIO conventions.

A trade union safety movement aids all trade unions which participate in the various national safety organizations such as the National Safety Council, the American Standards Association, and others, to which employers, engineers, safety and health specialists now belong or attend.

A trade union safety movement demonstrates that:

- American labor is actively interested in safety and occupational health.
- American labor is ready to cooperate with management in a positive three-pronged action program.
- American labor is not satisfied to "make progress through tragedy" in the field of safety and occupational health.

A Trade Union Safety Movement

AFL-CIO Resolution in Safety and Occupational Health Adopted by 3rd Constitutional Convention, September 1959.

1. That the AFL-CIO establish through its Standing Committee on Safety and Occupational Health an AFL-CIO trade union safety movement.

2. That the AFL-CIO shall hold annually its National Conference on Safety and Occupational Health and invite all National and International Unions, State Bodies and Departments to participate.

3. That such conferences shall be conducted by the AFL-CIO Standing Committee on Safety and Occupational Health and dedicated to the principle of cooperation between labor and management so that progress shall be achieved by positive prevention of accidental death and injuries rather than through tragedy.

4. Such conferences shall be called upon to develop practical programs in which collective bargaining relations, legislation and education shall be utilized to support safe and healthful working conditions.

5. That all National and International Unions be urged to negotiate safety and health clauses in their contracts and seek to implement such clauses through joint labor-management committees.

6. That subcommittees on industrial diseases be established. Each subcommittee would concern itself with such specific diseases as occupational deafness, dermatitis, radiation burns, inhalation of dusts, gases and vapors and others.

7. That Federal legislation shall be obtained establishing Federal standards for safety and occupational health and Federal Grants-in-Aid should be made available to those States willing to adopt such Federal standards and to implement them by effective administration.

8. That Federal legislation be enacted to maintain exclusive Federal control over the unique hazards created by atomic energy and thus insure rigid enforcement of those health and safety regulations necessary to protect workers and the general public.

9. That State legislation be adopted based upon the principle of flexible codes to promote, establish and maintain safe and healthful working places through effective safety and occupational health programs.

10. State legislation shall be enacted to provide adequate finances to administer and enforce necessary safety and health legislation.

11. The AFL-CIO and its affiliates shall be urged to cooperate in national and community programs aimed at off-the-job hazards, especially in the field of traffic safety.

12. All trade union organizations shall be urged to join the National Safety Council and to cooperate with the American Standards Association so that the labor movement shall be heard in these national safety forums.

Published by

American Federation of Labor and Congress of Industrial Organizations

815 16th St. N.W. Washington 6, D.C.

GEORGE MEANY
President

Publication No. 74

WM. F. SCHNITZLER
Secretary-Treasurer

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MARION B. FOLSOM, *Secretary*

OFFICE OF VOCATIONAL REHABILITATION
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VR-ISC-13 Revised July 1957

U. S. GOVERNMENT PRINTING OFFICE : 1957—O-430961

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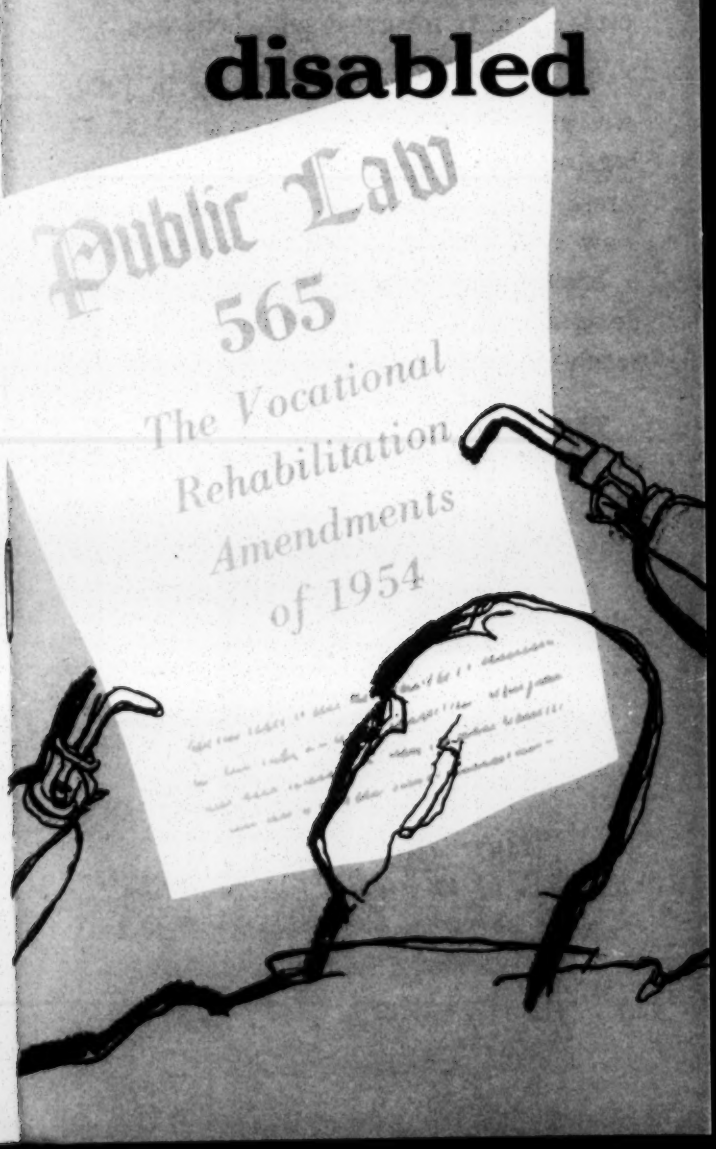

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Vocational REHABILITATION

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State Board of Vocational and Adult Education

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WHAT IS VOCATIONAL REHABILITATION?

Vocational Rehabilitation is a public service established for the purpose of helping handicapped persons enter employment.

WHO IS HANDICAPPED?

Any person is handicapped who has a disability which substantially interferes with suitable employment. The disability may exist from birth or may be the result of illness or accident.

WHO IS ELIGIBLE?

Any resident of Wisconsin of employable age is eligible, who has a disability which constitutes a **substantial** handicap to employment and who may reasonably be expected to obtain work after receiving vocational rehabilitation services.

HOW DOES IT BENEFIT THE HANDICAPPED?

It provides the following services to help overcome the handicap:

- Counseling and guidance
- Medical examination
- Medical, surgical, psychiatric and hospital treatment
- Artificial limbs, braces, hearing aids
- Occupational and physical therapy
- Training — school, on-the-job, apprenticeship, tutorial, correspondence
- Living costs during treatment and training
- Transportation
- Supplies
- Equipment
- Placement assistance

WHAT IS THE COST TO THE HANDICAPPED PERSON?

Medical examinations, counseling and guidance, without cost to the client. Vocational training costs are generally provided. Other services such as medical care, maintenance, transportation, supplies and equipment are furnished on the basis of financial need.

HOW DOES IT BENEFIT THE EMPLOYER?

Employers have found it to be good business to employ handicapped workers whose abilities have been analyzed and who are adequately prepared to give first-rate performance on a carefully selected job. These workers tend to become well adjusted in their work situations and they do a good productive job, faithfully and steadily, without undue risk to themselves or to others.

HOW DOES IT BENEFIT THE COMMUNITY?

Vocational Rehabilitation increases earning capacity; assures greater security for the disabled; eliminates or reduces costs of dependency; converts tax consumers to tax producers; enables rehabilitation clients to assume their rightful place in family and community affairs.

HOW CAN THESE SERVICES BE OBTAINED?

Handicapped persons desiring rehabilitation services, or interested individuals wishing to report the names of handicapped persons, are advised to contact the nearest district or local office, or the state office in Madison.

School for Workers
University of Wisconsin

Workmen's Compensation Outline

COVERAGE

1. Who is covered by Workmen's Compensation? _____

2. What conditions are compensable? _____

BENEFITS

3. Medical -- _____

4. Temporary Disability (convalescence) --

   a. Amount weekly (max. & min.) _____

   b. Basis _____

   c. Begins _____

   d. Duration _____

5. Permanent Partial Disability

   a. Scheduled _____

   b. Relative _____

6. Permanent Total Disability _____

7. Disfigurement _____

8. Death

   a. Amount (Min. & Max) _____

   b. Method of payment _____

   c. Additional burial cost _____

   d. Children benefits _____

   e. Non-dependent Parents _____

U.S. DEPARTMENT OF LABOR RECOMMENDED STANDARDS FOR A GOOD WORKMEN'S COMPENSATION LAW

Comparison with Recommended Standards 1/

MINIMUM STANDARDS

1. Compulsory Coverage
2. No Numerical Exemptions
3. Coverage of Agricultural Workers
4. Full Coverage of Occupational Disease
5. A Rehabilitation Division Within the Workmen's Compensation Agency
6. Maintenance Benefits During Rehabilitation
7. Full Medical Benefits for Accidents
8. Full Medical Benefits for Occupational Diseases
9. Supervision of Medical Care by State Agency
10. Free Selection of Qualified Physician
11. Coverage under a Broad Second or Subsequent Injury Fund
12. Flexible Period for Filing Claim
13. Waiting Period of Not More than 3 Days with Retroactive Benefits After Two Weeks or Less
14. Benefits to Widow during Widowhood
15. Benefits for Permanent Total Disability for Life or Period of Disability
16. Double Benefits to Illegally Employed Minors
17. Maximum Weekly Benefits Should Be Equal to at Least 66 2/3% of the State's Average Weekly Wage
18. Administration of the Workmen's Compensation Law by a State Agency
19. Judicial Review Limited to Questions of Law

1/ A checkmark indicates the state workmen's compensation law contains such a provision.

Let's Have A NATIONAL

HEALTH FUND

By Leo Perlis, Director, AFL-CIO Community Service Activities

OFTEN in the case of a national issue affecting the well-being of the American people, there comes a time when only the clear, sharp light of understanding can illumine the way to a solution. Such is the need today in America's war against disease.

Recent years have seen the development of a problem—epic in scope—in the nation's health field.

Should national health agencies continue to compete for the charity dollar or become a part of the long-accepted principle of federated fund-raising? Would the health cause be served better by the present disease-by-disease approach or should the total health of the whole man be the prime focus in fund-raising, planning, research and treatment?

With the advent of this problem, battle lines have been formed, extreme positions have been taken, arbitrary decisions have been the order of the day. A cloud of confused thinking has descended upon this complex issue to the point where the basic values have become obscured.

This, then, is the problem area with which the AFL-CIO Community Services Committee is concerned in one of its priority programs for the year 1959—the establishment of a National Health Fund.

IT IS truly unfortunate that many national voluntary health agencies which have done yeoman service are currently under attack from so many quarters—management, labor, newspapers, magazines and citizen groups.

Much credit must go to these national health agencies for their pioneer efforts in pinpointing the single disease and arousing people to action. In like fashion, they influenced government attitudes toward the health field. For the most part, these agencies were created because of government laxity. Here again, they showed the way, as evidenced by the rise in government support for health in the past decade. This increased support is largely due to the groundwork laid by the agencies.

Look, for example, at the fact that a total of only $8,124,000 was appropriated to the National Institutes of Health of the U.S. Public Health Service, Department of Health, Education and Welfare, in the 1947-48 fiscal year. Compare this with the total appropriation to all the health institutes for the 1958-1959 fiscal year which was $193,441,000. Compare also the fact that in 1948-49 the government allocated only $14,500,000 to the National Cancer Institute, while ten years later the Cancer Institute's appropriation was $55,923,000.

The current Cancer Institute appropriation is more than twice the amount of the total appropriation for all the national health institutes in the 1948-49 fiscal year.

We can only applaud the constructive educational job the voluntary health agencies have done. We recognize that, historically, it was necessary for these agencies to develop as they did—on their own.

The labor movement believes, however, that the time has arrived to put the human body back together again. The time is with us when the extremes must be shunned in favor of a logical, common sense method that will serve all the people.

We believe this method is the National Health Fund.

The importance of the National Health Fund concept stands out even more graphically when the extremes are scrutinized.

First is the isolationism propounded by the voluntary health agencies. This is based on their concentration on one disease which they believe is the best way of raising more money.

The second extreme is the one set forth by the field of federated fund-raising which calls for funds to be raised in local communities for health purposes and then turned over to the Medical Research Program of the National Fund for Medical Education.

The third extreme would come about through one strong agency absorbing the functions of existing health agencies until it becomes, in

effect, a pseudo-national health fund. This extreme brings with it the raiding of other agencies and their jurisdictions.

Labor believes it has sound reasons for avoiding this trio of extremes.

THE isolationism of the health agencies encourages, rather than eliminates, the waste and inefficiency that accompany a multiplicity of campaigns.

Raising funds and transmitting them through the Medical Research Program simlpy establishes another agency with the separate campaigns continuing in local communities. Also under this plan the contributor believes he is giving for treatment, training and research when actually he will be giving for research and only partly for training. Treatment is not included in MRP.

The third extreme can accomplish few positive results with the exception of strengthening an already strong agency to the detriment of other agencies.

The AFL-CIO Community Services program specifically calls for the establishment of a voluntary federation of existing national voluntary health agencies for the purposes of raising funds once a year for all, allocating funds on the basis of relative needs and coordinating basic medical research.

This has been labor's position for many years. An editorial to this effect appeared in a labor publication as far back as 1945. The AFL-CIO Executive Council early in 1957 called for the establishment of a national fund of this type.

A National Health Fund could raise money for all the health agencies in a united way either through community chests and united funds or through its own once-a-year independent drive for funds. A National Health Fund would provide a means for closer collaboration between the voluntary and governmental agencies in the health field. It would also make for closer liaison internationally.

A NATIONAL fund would not eliminate the existing organizations. There would still be an American Cancer Society, an American Heart Association and the rest. It would not replace or substitute for these agencies. Instead, it would be their campaign and budgeting organization and a channel for basic medical research. This would then leave the agencies free to pursue their most important functions—public education and information, research, treatment and service.

The board of a National Health Fund must be representative of all the people, but the scientific aspects of the Fund must be in the hands of competent, professional people. Equally important is the fact that the allocation of funds must be based on sound, professional advice.

Perhaps the greatest single element behind the opposition to a National Health Fund is fear. The health agencies express fear because it is new and has not been tried. They are afraid they will lose or jeopardize their programs. The federation field fears that a National Health Fund may become so powerful in local communities that it will upset the balance between the welfare and health fields.

In reality, there are many precedents which should serve to prove these fears groundless. The National War Fund successfully federated foreign relief and defense needs. The Community Chest movement initially and later the United Fund movement testify to the validity of properly organized federated efforts.

The health agencies fear that their needs will not be fully understood and their positions thereby weakened if they enter into federated campaigns is likewise without fundation. It is our belief they would come to united funds and community chests from a position of strength rather than weakness. Any agency that has popular support and an effective program has little to fear in the federation process.

The fear that is prevalent, too, in terms of federation's ability to raise

the greater sums needed to include the health agencies is, in our opinion, unsubstantiated by experience.

The growth and development of federation carried with it sweeping evidence of the willingness and ability of the American contributor to give more when the need for more was proved to his satisfaction. The substantial and often amazing gains made in community after community over the years cannot be ignored.

Last year a total of $423 million was raised by united fund and community chest campaigns across the land. The voluntary health drives raised a total of more than $147 million. It is our sincere belief that the impact of the health agencies' entrance into federation would see approximately $250 millions raised for health purposes—which is over $100 million more than they now raise. These additional funds could be used to advantage in the war on disease.

At the present time the key to dispelling this variety of fears most effectively can be found in experimentation. Why not take one or several communities where voluntary health agencies agree to test a National Health Fund in two succesive campaigns? Gradually this experimentation could be expanded to include the state and later the nation. This system may have its failings, but it would be a concrete move in a positive direction.

This is the goal the AFL-CIO Community Service Activities seek in its priority program for a National Health Fund.

To implement our program, we are beginning at the local level. CSA is urging every state and local central labor body to adopt a clear-cut resolution stating its position regarding a National Health Fund. Local community services committees are being asked to send letters with copies of these resolutions to all health agencies through the central labor bodies. requesting these local health chapters to contact their national organization and urge them to join in creating a National Health Fund.

Through CSA, labor will also push for cities and towns to inaugurate programs of experimentation, for central labor unions to recommend that their united funds study the health fund idea and for labor groups to secure publicity so that the general public will have an opportunity to weigh and discuss the merits of the health fund plan.

Every technique of citizen education and community organization at CSA's command will be used to enable the National Health Fund concept to penetrate the murky haze that now cloaks this national health issue. And throughout every phase of CSA's action program, we shall not be working alone but will be cooperating with local labor groups, local health agencies, local citizen organizations and local chests, funds and planning bodies.

It is our hope that this priority program of AFL-CIO Community Services will be a worthwhile contribution to the public good and will have a profound effect in the war against disease.

It is our hope, too, that those forces most directly affected on the fund-raising side of this problem will listen to the voice of labor as it strives to be heard above the clamor and clash of the organizational battles in health.

For, without doubt, fund-raising is only a means to an end. Our greatest concern should be with the end product — research, training, education and service.

It goes without saying that the end never justifies the means. But would not the end be even better if we used more proper means?

American Federation of Labor and Congress of Industrial Organizations
815 16th St., N. W. Washington 6, D. C.
GEORGE MEANY, *President* — WM. F. SCHNITZLER, *Secretary-Treasurer*
Publication No. 93
17 17
Reprinted from AFL-CIO FEDERATIONIST, April, 1959

COPE *Campaign Supplement* October 24, 1960

(Discussed here are issues of interest in understanding the 1960 political campaign.)

DRUG MONOPOLY: QUICK KILL WITH THE FAST PILL

Cruelest of the monopolies which gouge American consumers is the not-so-ethical drug industry. Behind the glossy publicity about wonder drugs, is a cold-eyed economic and political operation which regards human ills and agonies as a special situation designed for quick profits at the expense of the most helpless people in America.

Evidence presented to the Kefauver Anti-Monopoly subcommittee revealed that—

(1) the ethical drug industry pays off, after taxes, twice as much profits as the average of all industry;

(2) drug costs are so high some people are driven back into insane asylums because they cannot afford the medication that would enable them to live as normal human beings;

(3) aged Americans are forced to go without food to pay for exorbitantly priced drugs;

(4) heaviest single cost item in drugs, after the profit to the company, is the cost of advertising;

(5) most drug company research is designed to gimmick up a drug—not to improve it but to insure monopoly control over the drug;

(6) a second major objective of drug company research is to add a meaningless feature to make it appear that last year's version is obsolete (the application of the tail-fin principle to drugs);

(7) the Federal Food and Drug Administration (FDA) intended as the consumer's protection against dangerous and adulterated drugs and mislabeling is not able to perform its task, and in some cases was unwilling to as the result of corruption by the drug companies;

(8) drug prices for identical drugs were four to five times as high in the U.S. as in other countries with the consequence that the U.S. Government is sometimes forced to purchase its needs abroad for its purposes;

(9) costly advertising and publicity by the unethical drug companies deceive doctors, lead to the unwarranted use of many drugs, and are closely tied to stock market manipulations;

(10) unethical practices of the drug companies depend on government protection which is made possible by the close tie between the industry and the Republican Party.

Obstructors: In an attempt to suppress these facts, the Republican Party fielded a three-man team of blockers and obstructors who used every tactic available to them to shut off the inquiry. Headed by Republican Senate Leader Everett Dirksen (Ill.) and manned by Alexander Wiley (R., Wis.) and Roman Hruska (R., Neb.) the Republicans ran interference by seeking to choke off the investigation by a motion on the Senate floor, by filibustering against the clock in committee, by acting as defense attorneys for drug company witnesses, and by heckling. John Butler (R., Md.) took the floor of the Senate to attack the work of the committee.

One money motive behind the Republican defense of the unethical drug industry is evident from the Gore Committee report on campaign contributions in 1956. Drug company officials gave $149,700 to the GOP, only $4,000 to the Democrats.

Here are the sworn facts reported to the Kefauver hearings by drug company officials, medical investigators and U.S. Government officials.

False Advertising About Research: Drug companies claim their high prices are due to the high cost of research. Fact is, the Kefauver group learned that of the $400 million spent in 1957 for drug research in the U.S., *the Government spent 62 per cent of the total, while only 32 per cent came from the companies.* Major breakthroughs did not come from the drug companies. Insulin, penicillin, streptomycin and the Salk polio vaccine were developed by Government agencies—or, in the case of the Salk vaccine, with funds from the March of Dimes *(though five large companies split the profits on sales of the Salk vaccine).*

Dr. Frederick Meyers of the University of California Medical Center said drug company "research" is intended either to find a market for foreign drugs or to change an existing drug just enough to make a new chemical that can be patented. Cortisone was cited by a Johns Hopkins University pharmacologist as a drug that has undergone little or no improvement despite the widely advertised claims for "new" anti-arthritic drugs.

High Cost of the Hard Sell: Seymour Blackman, head of Premo Pharmaceutical Laboratories, testified that of the $2½ billion annual sale of ethical drugs, $750 million go for advertising and promotion and $750 million go to drug company profits. A spokesman for Parke, Davis reported that in 1958 the drug companies paid for almost *4 billion pages of advertising, 750 million direct mail impressions* and more than *20 million personal calls on physicians and pharmacists.*

Gifford Upjohn of the Upjohn Company testified that 28.6 per cent of every dollar in sales went to advertising and promotion, about 9 per cent for research, and about 27 per cent for manufacturing costs. Specific figures on one anti-arthritic drug, Prednisone, came out like this: Raw materials and labor 8 per cent, research 8½ per cent, sales and promotion 33 per cent.

Promotion costs include cocktail parties, steak dinners, and wining and dining—and, sometimes, travel expenses—for doctors. *Promotion cost for one drug, Achromycin, cost $2,447,000 in its first year.*

Detailing and Brainwashing: Advertising and promotion by the unethical drug companies are aimed at doctors and not consumers. Objective is to get doctors to prescribe the branded drug of a particular company, even if the drug under its chemical name is cheaper.

Detailers visit doctors and druggists with samples and expensive literature designed to exploit the ignorance and gullibility of doctors too busy and without facilities to check on the claims of the companies. Upjohn, a leading drug company, for example, employs 1,000 detailers (salesmen), out of a total work force of 5,700.

Information supplied by the detailers to doctors is often false and misleading. A former research director for a major drug company declared, "The Food and Drug Administration does not attempt to verify the claims made for any particular drug providing that . . . broad tolerance

and safety limits have been established . . . claims (are based) on extremely and unobjective observations . . . and there is nothing in the law to prevent the manufacturer from ignoring unfavorable reports. . . ." Many of the reports on drugs which appear in medical journals are written, specialists reported, *in the advertising agencies.*

Consequence of all this is to brainwash doctors and make it impossible for them to sort out the truth and to protect their patients from the dangers of new and inadequately tested drugs. Additional pressure is put on doctors by spotting announcements of new drugs in Time magazine, the Reader's Digest and the Wall Street Journal. This only leads patients to demand the drugs of their doctors, but also ties into the stock market manipulations of drug company officials.

Fifth Column for the Drug Industry: Two Government agencies have the specific responsibility for policing the drug industry, the Food and Drug Administration (FDA) and the Federal Trade Commission (FTC). The FTC, whose job is to watch monopoly practices, actually has been loaded with company lawyers. Their interests and careers, of course, are tied up with Big Business. This is the agency with which Sherman Adams, President Eisenhower's chief assistant, intervened so effectively on behalf of Bernard Goldfine, the Boston get-rich-quick promoter.

The FDA, which, for many years, was internationally famous for its incorruptibility, became a victim of the Republican Big Business morality. Dr. Henry Welsh, for example, head of the agency's anti-biotic division, quit only recently after the Kefauver subcommittee revealed that he got $287,000 in income for several years from the drug companies he was supposed to regulate. Articles published by him were edited by the drug companies, and then used by them to promote their products.

Big Money Gouged from Little People: Profits in the drug industry made the unethical drug companies favorites for Wall Street speculators. Smith, Kline and French has *doubled its profits every four years since 1950.* Earnings went from $5 million in 1950 to $20.8 million in 1958. Ten thousand dollars worth of stock bought in 1948 paid off $254,183 in dividends and capital gains by 1959. Merck's profits jumped from *$11 million per year in 1953 to $28 million in 1958.*

Company officials collect through a tax loophole in stock options. Thus President Henry Hoyt of Carter Products got part of his pay in the right to buy stock below the market price. When the stock tripled in value his option paid off *$1,242,000 in gain after taxes.* He still has a deal which is worth an additional $828,000 to him when he wants to collect. This is in addition to his $100,000-a-year salary. Similar schemes operate in Merck and Schering, big drug companies.

High Cost of Drugs Is in the Gouging: The drug story—like the steel, auto and bread reports—shows that the high cost of drugs has nothing to do with wages. Labor costs in the drug industry are negligible, a fourth those of Europe. Thus 833,000 American workers in the U.S. chemical industry produce $25 billion worth of chemicals a year while it takes 1,400,000 European workers to produce $10 billion of chemicals in the same time. Despite the labor cost advantage, however, U.S. drugs are *4 to 10 times as costly as the same drugs overseas.*

A tranquilizer, Chlorpromazine, developed by a French company and sold under license in the U.S. under the trade name Thorazine, costs $5.05 for a bottle of 50 in the U.S., 77 cents in France, $1.62 in Italy, and $2 in Brazil. The "cost-of-research" explanation does not work because the French developed the drug, and the U.S. company only sells it.

Adm. William Knickerbocker, testifying for the U.S. Military Medical Supply Agency, told how the U.S. saved millions of dollars on drug costs by *going to Italy* to buy its supplies.

Secret Ingredient in Drug Prices: Each of the American monopolies has its own tricks, and some they all share. Control of distribution facilities and intensive promotion freeze the small drug companies out of the markets. The big companies all obligingly charge the same price for identical products, even when sold under different brand names.

For instance, the anti-arthritic, Prednisone, is sold by Schering as Metacorten, by Merck as Deltra, and by Upjohn as Deltasone. All are sold wholesale to druggists for $17.90 per 100 tablets. When the U.S. Government negotiates with the big companies to buy these drugs *they all come up with the same price.*

But when it buys on competitive bids, the small companies get a chance. The competition exposes the racket. Thus Schering and Merck charged the U.S. *$136 per 100 tablets* of Prednisone on negotiated sales. When competitive bidding was tried, another company came in and delivered the same drug for *$20.98 per 1,000 tablets—or more than 83 per cent less.*

Brand names and the unethical ethics of the drug industry make it impossible for consumers to beat the monopolies without substantial reform. When a doctor prescribes a brand-named drug, the druggist cannot substitute the same drug sold under its true name. By "snowing" doctors into using the brand names, the companies make doctors tools of their price conspiracy.

For example, a *non-brand name* penicillin costs *$3.75 per 100.* The same drug under a *brand name* cost *$14.75 per 100.* What's true of penicillin is true of practically every drug from Miltown to aspirin. Just to show much could be squeezed out of the price of drugs, take Prednisone, which sells for 28 cents a pill. Total cost of making the pill—including raw materials, labor and packing—is *1½ cents.* It sells wholesale for *18 cents,* and comes to the aching patient over the drug counter at *28 cents.*

Competition Is Silly: When Kefauver asked why there was no competition in the drug industry, a drug company president replied that competition was "silly." They don't stop there, however. The American Association of Retired Workers became alarmed because its members were unable, because of the cost, to fill prescriptions they needed to alleviate pain. So it set up two non-profit drug stores, one in the District of Columbia and one in California. Here it provided drugs for cost plus 25 per cent. But three drug companies, Lederle, Merrell and Parke, Davis—refused to supply drugs for the operation. Up another alley, the companies launched steps to make this kind of low-cost drug operation *illegal.*

How to Fight the Drug Monopoly: Best way to fight the drug monopoly is to get a Congress and an administration which will *strengthen the Food and Drug Administration* and the law under which it operates, and that will demand that the *Federal Trade Commission* enforce laws against monopolies and monopoly practices.

Second, *doctors must be educated to prescribe drugs by their true names* and not by their brand names.

Third, *doctors have to be educated to the price of drugs* so that they will take into account the ability-to-pay of their patients before overloading them with expensive prescriptions. One suggestion is that all literature advertising drugs show the price to the consumer.

Fourth, *patent laws should be revised* so that drugs discovered with public funds can be made and sold by any qualified company.

Of all American industries, the drug industry most directly affects human well-being. Today its objective is the *"quick kill with the fast pill."* The job of restraining the killers is political.

The Decline of the Medical Profession in Public Esteem

Based On a Series of 25 Articles

"THE TARNISHED RECORD OF THE AMERICAN MEDICAL ASSOCIATION"

As Originally Appearing in

THE MILWAUKEE LABOR PRESS

536 West Juneau Avenue

Milwaukee 3. Wisconsin

Official Publication of the Milwaukee Federated Trades Council

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INSTITUTE OF LABOR AND INDUSTRIAL RELATIONS

WORKMEN'S COMPENSATION IN ILLINOIS

UNIVERSITY OF ILLINOIS

BULLETIN

Georgia Department of Labor

Regulations for the Administration

OF

EMPLOYMENT SECURITY LAW

AS

AMENDED THROUGH

MARCH, 1962

BEN T. HUIET

Commissioner of Department of Labor
of Georgia

Employment Security Agency

ATLANTA

S.T.V. [Tenn.]

STATE OF TENNESSEE

WORKMEN'S COMPENSATION LAW

Revised to July 1, 1965

ANNOTATIONS, ACCIDENT REPORTING LAW AND DISCOUNT TABLES

WILLIAM H. PARHAM
Commissioner of Labor

DEWEY WHITTLE
Director

MILDRED JOHNSON
Asst. Director

Division of Workmen's Compensation

AMENDMENTS
To
EMPLOYMENT
SECURITY LAW

SUBSEQUENT TO
MARCH 1960

ENACTED IN
1964 AND 1966

BEN T. HUIET
Commissioner
Department of Labor of Georgia
Employment Security Agency
ATLANTA

AMENDMENTS TO THE GEORGIA EMPLOYMENT SECURITY LAW SUBSEQUENT TO MARCH, 1960

1964 Amendments

Section 9 (c) amended, effective March 4, 1964, as follows:

"Money credited to the account of this State in the Unemployment Trust Fund by the Secretary of the Treasury of the United States of America pursuant to section 903 of the Social Security Act, as amended, may be requisitioned and used in the payment of expenses incurred for the administration of this Act pursuant to a specific appropriattion by the legislature, provided that the expenses are incurred and the money is requisitioned after the enactment of an appropriation law which:

"(A) specifies the purposes for which such money is appropriated and the amount appropriated therefor,

"(B) limits the period within which such money may be expended to a period ending not more than two years after the date of the enactment of the appropriation law,

"(C) limits the amount which may be used during a twelve-month period beginning on July 1 and ending on the next June 30 to an amount which does not exceed the amount by which (i) the aggregate of the amounts credited to the account of this State pursuant to section 903 of the Social Security Act, as amended, during the same twelve-month period and the nine preceding twelve-

month periods, exceeds (ii) the aggregate of the amounts used pursuant to this subsection and charged against the amounts credited to the account of this State during any of such ten twelve-month periods. For the purposes of this subsection, amounts used during any such twelve-month period shall be charged against equivalent amounts which were first credited and which are not already so charged; except that no amount used for administration during any such twelve-month period may be charged against any amount credited during such a twelve-month period earlier than the ninth preceding such period."

Section 10 added new paragraph, effective April 1, 1964, as follows:

"The director shall exercise all authority granted by law to the Commissioner of Labor which the Commissioner of Labor may delegate to him in writing with respect to the collection of contributions, or taxes, due under this Chapter. He shall execute all documents and papers, including assessments for taxes, executions for taxes, jeopardy assessments, and all other documents necessary in the performance of such duties and the exercise of such authority. Any such tax execution, assessment, or other document signed and executed by the director of the Employment Security Agency shall be of the same force and effect as if signed and executed by the Commissioner of Labor."

Section 14 (e) amended effective April 1, 1964, as follows:

"(e) Execution for collection of tax; affidavit of illegality.—In addition to any other method provided by law for the collection of contributions, any contribution not paid when

due, including any interest, penalty and costs thereon, may be collected by the Commissioner of Labor, by and with the same authority as is contained in sections 92-3306 and 92-8443 of the Code of Georgia Annotated providing for the collection of taxes by the State Revenue Commissioner. If any contribution, or tax, imposed by this Chapter is not paid within 10 days after notice and demand from the Commissioner of Labor, the Commissioner shall issue an execution directed to the sheriff, or his lawful deputies, of any county of the State, requiring said officer to levy upon and sell the real or personal property of any delinquent taxpayer, found within his county, in sufficient amount to satisfy the said execution so issued, together with penalties, interest, and all costs of executing and collecting the said execution, and to return such execution to the Commissioner of Labor, together with all such sums collected under and by virtue thereof, by a time to be therein specified, not more than 60 days from the date of the execution. The sheriff of any such county shall, within 10 days after the receipt of any such execution from the Commissioner of Labor, file the same, together with his entry of levy, with the clerk of the superior court of the county of the taxpayer's residence, and it shall thereupon be the duty of the clerk of the superior court to enter the said execution on the general execution docket of the superior court of said county in the same manner and form as prescribed by the general laws of the State of Georgia relating to executions issued by the superior court of this State, and said execution when so docketed shall become a lien on the title to and interest in all real and personal property of the said taxpayer against whom the said execu-

tion was issued in the same manner as if the said judgment had been duly issued from the superior court of taxpayer's residence and duly recorded on the general execution docket: Provided that nothing herein contained shall prevent the Commissioner of Labor from having said fi. fa. entered upon the general execution docket prior to the time the same is turned over to the sheriff for collection and when said fi. fa. is so entered on the general execution docket it shall be entitled to all the priorities accorded to other tax executions under the general law of this State, from the date of record. The sheriff shall thereupon proceed upon the same in all respects, with like effect and under the same rules as prescribed by the general laws relating and with respect to executions issued by any superior court of this State or other court of record, and shall be entitled to the same fees for his services in executing and collecting the said execution as allowed by law for like services to be collected under any superior court execution. In the event that any taxpayer may desire to contest the said execution, he may do so by filing an affidavit of illegality with the levying officer at the time of the levy, arresting the same as now prescribed by the general laws relating to the filing of affidavits of illegality, and when said affidavit of illegality is so filed and the tax is paid or bond for the eventual condemnation money is given it shall be the duty of the levying officer to return the said execution, together with the affidavit of illegality bond, and in case of personal property, bond for the forthcoming of the property, to the clerk of the superior court of the county of the taxpayer or defendant in execution, and the superior court of the said county shall then and there, at the first or next term,

cause the said issue so made to be tried by a jury in the superior court of the county of the residence of the taxpayer, under the same rules of law and evidence as prevail in this State. It shall be the duty of counsel for the Employment Security Agency to represent the Commissioner of Labor when any such cases or contests made by affidavits of illegality are filed in any county or any legal action in courts results from the issuance of any execution. The Commissioner of Labor, with respect to the administration of the Employment Security Law and the collection of contributions thereunder, shall have all of the rights, authority and prerogatives provided the State Revenue Commissioner for securing reports and the collection of taxes as contained in Title 92 of the Code of Georgia Annotated."

Section 14 (f) added, effective April 1, 1964, as follows:

"(f) Taxes made personal debt; attachment and garnishment; levy.—All contributions, or taxes, under this chapter are hereby made a personal debt of the person required hereunder to file the returns or to pay the taxes imposed hereby. The Commissioner of Labor, or his authorized representative, may attach the property of a delinquent taxpayer on any ground provided by section 8-101 of the Code of Georgia Annotated or on the ground that the taxpayer is liquidating his property in an effort to avoid payment of the tax. The Commissioner of Labor, or his authorized representative, may use garnishment to collect the tax imposed by this Chapter. Garnishment may be issued by the Commissioner of Labor in the same manner as is provided for the issuance of garnishment by tax collectors in Chapter 92-75 of the Code

of Georgia Annotated. In case of neglect or refusal by a taxpayer to pay any taxes under this Chapter due the State, the Commissioner of Labor, or his authorized representative, may levy upon all property and rights to property, except such as are exempt by law, belonging to such taxpayer, for the payment of the sum due, with interest and penalty for nonpayment, and also of such further sum as shall be sufficient for the fees, costs and expenses of such levy. The Commisioner of Labor, or his authorized representative, may levy and conduct judicial sales in the manner now provided for sales by sheriffs and constables. Levy, in the case of personal property, shall be advertised 10 days before the date of sale, which advertisement shall designate the time and place of sale, giving a reasonable description of the property to be sold, and be posted in three public places in the county, and inserted at least one time in the newspaper in which sheriff's sales in such county are advertised. The sales shall be at the courthouse of the county in which the property levied on is situated, and be between the hours of 10 a.m. and four o'clock p.m. In the event the levy is upon real property, the said Commissioner of Labor, or his authorized representative, after making said levy, shall make a return of such levy on the execution to the sheriff of the county in which the property is located, and such sheriff shall proceed to advertise and sell the same as required by law."

Nothing in this Act shall be construed to affect executions heretofore issued by the State Revenue Commissioner for delinquent taxes due the State of Georgia under the provisions of the Georgia Employment Security Law and all executions, affidavits of illegality,

suits and other proceedings relating to taxes or contributions pursuant to the Georgia Employment Security Law shall be prosecuted by the Commissioner of Labor to final judgment and conclusion. (Act No. 879, Section 5, effective April 1, 1964)

Section 3 (b) amended, effective July 1, 1966, as follows:

"(b) Weekly Benefit

"(l) Amount—

"An individual's "weekly benefit amount" shall be the amount appearing in Column B in the table of this section on the same horizontal line on which appears in Column A of said table the total insured wages paid such individual in that quarter of his base period in which such total wages were highest, provided insured wages were paid such individual during two or more quarters of his base period and the total of such wages equals or exceeds the amount shown in Column C of the table on the same line.

COLUMN A	COLUMN B	COLUMN C
Wages Paid in Highest Quarter of Base Period	Weekly Benefit Amount	Qualifying Wages in Base Period
$ 175.00 - $ 199.99	$ 8	$ 288
200.00 - 224.99	9	324
225.00 - 249.99	10	360
250.00 - 274.99	11	396
275.00 - 299.99	12	432
300.00 - 324.99	13	468
325.00 - 349.99	14	504
350.00 - 374.99	15	540
375.00 - 399.99	16	576
400.00 - 424.99	17	612
425.00 - 449.99	18	648
450.00 - 474.99	19	684
475.00 - 499.99	20	720
500.00 - 524.99	21	756
525.00 - 549.99	22	792
550.00 - 574.99	23	828
575.00 - 599.99	24	864
600.00 - 624.99	25	900
625.00 - 649.99	26	936
650.00 - 674.99	27	972
675.00 - 699.99	28	1,008
700.00 - 724.99	29	1,044
725.00 - 749.99	30	1,080
750.00 - 774.99	31	1,116
775.00 - 799.99	32	1,152
800.00 - 824.99	33	1,188
825.00 - 849.99	34	1,224
850.00 - 874.99	35	1,260
875.00 - 899.99	36	1,296
900.00 - 924.99	37	1,332
925.00 - 949.99	38	1,368
950.00 - 974.99	39	1,404
975.00 - 999.99	40	1,440
1,000.00 - 1,024.99	41	1,476
1,025.00 - 1,049.99	42	1,512
1,050.00 and over	43	1,548

"The foregoing Benefit Table shall be effective with benefit year beginning July 1, 1966, and through June 30, 1967.

"Provided, there shall be added to the foregoing Benefit Table two (2) additional steps effective with benefit years beginning July 1, 1967 increasing the Weekly Benefit

Amount to a maximum of forty-five dollars ($45.00), with the Benefit Table remaining the same except for the last step and the two additional steps which shall then read:

Column A	Column B	Column C
$1,050.00 - $1,074.99	$43	$1,548
1,075.00 - 1,099.99	44	1,584
1,100.00 and over	45	1,620

"Provided, however, that benefits shall not be paid for any week during which the employee is engaged in picketing or is a participant in a picket line at the factory, establishment, or other premises at which he is, or was last, employed, even though the stoppage of work shall have ceased and operations have been resumed.

"(2) Duration—

"Any otherwise eligible individual shall be entitled during any benefit year to a total amount of benefits equal to twenty-six (26) times his weekly benefit amount or one-fourth (¼) of his wages for insured work paid during the base period, whichever is the lesser; provided that such total amount of benefits, if not a multiple of the weekly benefit amount, shall be adjusted to the nearest multiple of the weekly benefit amount."

Section 4 (c) amended, effective April 1, 1966, as follows:

"Provided further, that satisfactory attendance and satisfactory progress in a training course approved by the Employment Security Agency shall be evidence of availability and an otherwise eligible individual shall not be ineligible to receive benefits while attending such training course."

Section 5 added new paragraph, lettered (g), effective April 1, 1966, as follows:

"(g) Who is attending a training course as provided in Section 4(c) of the Act (Section 54-609 Ga. Ann. Code) and voluntarily quits attending such course without good cause, shall be disqualified for benefits under the provisions of Section 5 (a) (Section 54-610 (a) Ga. Ann. Code) providing for a disqualification for voluntarily quitting a job."

Section 7 (c), Paragraph (2), added new paragraph lettered (D), effective April 1, 1966, as follows:

"(D) If an individual's employment was terminated by the retirement of the individual pursuant to a retirement or lump-sum retirement pay plan under which the age of mandatory retirement has been agreed upon by the employer and his employees or by the bargaining agent representing such employees, any such benefits paid to such individuals shall be charged against the fund and not against the account of the employer."

Section 7 (c), paragraph (5), added new paragraph, effective April 1, 1966, as follows:

"Provided however, that as of any computation date, any employer who has failed to file by the end of the month following any computation date (unless the time for filing reports has been extended under Section 16 (e) (Section 54-632.1 Ga. Ann. Code)) all required reports with respect to employment and wages paid together with such other information as is necessary to compute his contribution rate under this section, shall not be eligible for a reduced rate but shall be assigned the standard rate of 2.7 per centum if his account shows an excess of con-

tributions paid over benefits charged, or the maximum rate of 4.2 per centum if his account shows an excess of benefits charged over contributions paid. Such rate shall remain effective until the end of the calendar year for which such rate has been assigned.", so that said paragraph (5) of subsection (c) of Section 7, when so amended, shall read as follows:

"(5) For the year 1942 and each calendar year thereafter, employers shall be classified in accordance with their actual experience in the payment of contributions, and with respect to benefits charged against their accounts, with a view of fixing such contribution rates as will reflect such benefit experience. Each employer's rate for any calendar year shall be determined on the basis of his record as of the computation date for that calendar year.

"Provided, however, that as of any computation date, any employer who has failed to file by the end of the month following any computation date (unless the time for filing reports has been extended under Section 16 (e) (Section 54-632.1 Ga. Ann. Code)) all required reports with respect to employment and wages paid together with such other information as is necessary to compute his contribution rate under this section, shall not be eligible for a reduced rate but shall be assigned the standard rate of 2.7 per centum if his account shows an excess of contributions paid over benefits charged, or the maximum rate of 4.2 per centum if his account shows an excess of benefits charged over contributions paid. Such rate shall remain effective until the end of the calendar year for which such rate has been assigned."

Section 7 (c), paragraph 7 (iv), amended effective April 1, 1966, as follows:

"(iv) The term "computation date" means December 31, of each calendar year with respect to rates applicable to the succeeding calendar year for each employer whose account could have been chargeable with benefits throughout the twelve consecutive calendar months period ending on the "computation date"; provided, however, that any corporation, partnership, individual, or other legal entity, who acquires by purchase, merger, consolidation, or other means, substantially all of the business, or assets thereof, of any employer, and who thereafter continues such acquired business, shall be deemed to be a successor to the predecessor from whom such business was acquired for purposes of Section 7, and, if not already an employer prior to such acquisition, shall become an employer on the date of such acquisition. The successor shall succeed to the employment benefit experience record of the predecessor. If the successor is not already an employer at the time of such acquisition, the rate of contributions applicable at such time to the predecessor unit shall continue to be applicable to the successor as to contributions payable based on wages of employees, of such acquired unit only, until the time hereinafter stipulated, but if the successor is already an employer at the time of such acquisition, the rate of contributions applicable to the successor at the time of the acquisition shall continue to be applicable to the successor after the acquisition until the time hereinafter stipulated. In either case, such rate, or rates, shall continue in effect until the first day of the next calendar quarter immediately following such acquisition, at which time it

shall be the duty of the Commissioner to compute a rate based upon the combined employment benefit experience record of the predecessor and successor, subject to the provisions of subsection (6) (i) hereof, which rate shall be applicable to the successor from the first day of such quarter until the next computation date hereunder. Commencing with the next calendar quarter after acquisition, the employment experience of the former employer and the successor employer shall be combined, and the rate of the successor for such quarter and thereafter shall be based on such combined experience. All rates thereafter shall be computed on the basis of such combined employment benefit experience records. The Commisioner shall prescribe by regulation the notice to be given of such acquisition. The provisions of this subparagraph shall apply to all contributions payable by a successor, regardless of whether or not such succesor acquired the business, or assets thereof, from his predecessor prior or subsequent to the effective date of this subparagraph.

"It is further provided that in cases where a corporation, partnership, individual, or other legal entity acquires any clearly indentifiable or segregable portion of the business of an employer, and such successor is an employer at the time of the acquisition, or becomes an employer before or within the two calendar quarters immediately following the quarter in which the acquisition was made, or within one complete calendar quarter after the passage of this Act, whichever is later, the Commissioner shall upon notice of such acquisition and with the mutual consent of both parties, transfer to such successor the portion of the predecessor's payroll records

and experience rating records which are attributable to the portion of the business which was acquired. The Commissioner shall prescribe by regulation the period within which notification of such acquisition shall be given and the method by which the experience to be transferred shall be computed. The experience rating records of the predecessor employer, as thus computed, shall be used as the basis for the contribution rate of the successor; provided that, where the successor is an employer the experience rating records transferred shall be combined with his experience rating records effective as of the first day of the next calendar quarter immediately following such acquisition, at which time it shall be used to compute a rate based upon the combined experience of the predecessor and successor. Nothing in this subparagraph shall be construed to authorize or require that refund of any sums lawfully paid into the trust fund created by Section 9 (a), or to otherwise use any of the same except to pay compensation benefits, provided, that if and when the Federal Social Security Law or any other Federal Unemployment Compensation Law should in the future be so amended as to: (1) Reduce the basic period of time experience for reduced rating or (2) give to war veterans the benefit of time in the service in computing said base period or (3) allow war veterans concessions in computing base period experience by adding that served in one employing entity to that served in another employing entity, whether successor or not, then the Commissioner of Labor is hereby authorized to give effect to any or all such amendments for the benefit of Georgia employers by Executive Order."

Section 7 (c), paragraph 8, amended effective April 1, 1966, as follows:

"(8) If on the last day of any calendar quarter the balance in the Unemployment Compensation Trust Fund is less than one hundred fifty million dollars ($150,000,000), each employer whose rate of contribution is computed in accordance with subsection (c) of Section 7, shall have an additional rate of 0.5 per centum added to such computed rate, but not to exceed a cumulative contribution rate of 4.2 per centum. Such additional rate shall become effective on his taxable payroll on the first day of the immediately following calendar quarter and shall continue in effect until the last day of that calendar year.

"Provided, however, that if on the last day of any calendar year the balance in the Unemployment Compensation Trust Fund is less than one hundred twenty-five million dollars ($125,000,000), the additional rate shall be 1.0 per centum effective on the first day of the next calendar year, and shall continue in effect until the last day of that calendar year.

"Provided further, that if on the last day of any calendar year the balance in the Unemployment Compensation Trust Fund is less than one hundred million dollars ($100,000,000), the additional rate shall be 1.5 per centum effective on the first day of the next calendar year and shall continue in effect until the last day of that calendar year.

"Provided further, that if on the last day of any calendar year, the balance in the Unemployment Compensation Trust Fund is less than seventy-five million dollars ($75,000,000), the additional rate shall be 2.0 per centum effective on the first day of the next

calendar year and shall continue in effect until the last day of that calendar year.

"Notwithstanding any other provision herein, any additional rate imposed by this section shall be in addition to the computed rate each year for eligible employers, but not to exceed a cumulative contribution rate of 4.2 per centum. The provisions of this paragraph (8) of subsection (c) of Section 7 shall operate prospectively as and when in the future said conditions shall be found to exist.

"The Commissioner will give notice to each employer of any rate change by reason of the above provisions."

Section 14 (b), paragraph (1), added new paragraph, effective April 1, 1966, as follows:

"(l) If, after due notice, any employer defaults in any payment of contributions or interest thereon, the amount due, including any penalty, may be collected by civil action in the name of the Commissioner, and the employer adjudged in default shall pay the cost of such action. Civil actions brought under this Section to collect contributions, interest or penalty thereon from an employer shall be heard by the court at the earliest possible date and shall be entitled to preference upon the calendar of the court over all other civil actions except petitions for judicial review under this Act and cases arising under the Workmen's Compensation Law of this State, and other actions to which the State is a material party, which are now given precedence.

"Any employer failing to make return or to pay the contributions levied under this Chapter for a period of ninety days after the end of the calendar quarter for which the re-

ports and contributions are due, and who has not ceased to be an employer as provided therein, may be enjoined from employing individuals in employment as defined in this Chapter upon the complaint of the Commissioner, or his designate, in the Superior Court of any county in which said employer may be doing business; and such employer so failing to make return or to pay contributions levied hereunder shall be enjoined from employing individuals in employment until such return shall have been made and the contributions shown to be due thereunder paid to the Commissioner."

Section 19 (h) (7) (M) amended effective March 2, 1966, as follows:

"Section 19(h) (7) (M). Service performed by an individual for an employer as an insurance agent or as an insurance solicitor or as a licensed real estate salesman, if all such service performed by such individual for such employer is performed for the remuneration solely by way of commission."

Section 19 (n) added new paragraph, numbered (3), effective July 1, 1966, as follows:

"(n) "Wages" means all remuneration for personal services, including commissions and bonuses and the cash value of all remuneration paid in any medium other than cash. The reasonable cash value of remuneration in any medium other than cash shall be estimated and determined in accordance with the rules prescribed by the Commissioner, provided, that the term "wages" shall not include, ***:

"(3) Payments made after July 1, 1966 as commission by a real estate broker to a licensed real estate salesman exclusively for the sale of real property; and"

Workmen Comp.

VIRGINIA'S WORKMEN'S COMPENSATION LAW

HOW DOES IT COMPARE?

Prepared For

The Virginia State AFL-CIO

by the

AFL-CIO Department of Social Security

February 1969

SUMMARY

The Virginia workmen's compensation law meets only three of the workmen's compensation standards recommended by the U.S. Department of Labor and the AFL-CIO. This is a shocking indictment of the Virginia law in view of the inadequate benefit levels, and the fact that workmen's compensation protection in Virginia costs on the average less than 50 cents per $100. of payroll.

The benefit structure of the Virginia law has lagged woefully behind increases in the state wage level. The maximum weekly benefit in 1940 equaled 74.9 percent of the Virginia average weekly wage. Today, the maximum weekly benefit equals only 51.0 percent of this average.

The large numerical exemption permitted under the law, the exclusion of agricultural workers and others, the failure to provide full medical care or compulsory occupational disease coverage, and the limited protection afforded survivors in fatal work injury cases represent some of the more glaring deficiencies in the Virginia law that should be corrected without delay.

The cost burden on Virginia employers for workmen's compensation has been light. Where the need is so great, and the cost is so small, there is every obligation for the State to act.

A COMPARISON OF VIRGINIA'S WORKMEN'S COMPENSATION ACT

The need for standards to serve as a guide for state legislators concerned with workmen's compensation issues has been generally recognized by the major groups interested in this subject. The Council of State Governments has published suggested legislation on workmen's compensation to assist state legislators. Minimum workmen's compensation standards have been recommended by the organization representing state workmen's compensation administrators (the IAIABC), the U.S. Department of Labor, and the AFL-CIO. The recommended standards are outlined in the attached document entitled "Yardstick For Workmen's Compensation Laws."

Virginia meets only three of these recommended standards. This is a rather shocking indictment of the Virginia law in view of the inadequate benefit levels, and the fact that workmen's compensation protection in Virginia (and elsewhere) is a relatively inexpensive item.

Department of Labor data (Table II) show that workmen's compensation costs less per hour than any other non-wage monetary benefit except sick leave. More recent data are available, but we do not consider it as reliable as the Department of Labor information. However, it also reveals workmen's compensation to be a very low cost item for employers. This information published by the United States Chamber of Commerce (Table III) indicates employers pay three times more for rest periods than they pay for workmen's compensation protection.

Total workmen's compensation benefit costs are extremely low in Virginia. Table IV shows that total benefits under the law cost less than 50 cents per $100. of payroll. This figure is well below the cost of the workmen's compensation program in a number of Virginia's neighboring states including:

Maryland	70 to 79 cents
West Virginia	70 to 79 cents
Tennessee	60 to 69 cents
Kentucky	50 to 59 cents
District of Columbia	50 to 59 cents

Workmen's compensation benefits in Virginia have deteriorated noticeably in relation to the statewide average weekly wage. (See Table I and Charts I and II). The maximum weekly benefit for temporary total disability in 1940 was equal to 74.9 percent of the Virginia weekly wage. Today, the maximum weekly benefit equals only 51.0 percent of the average weekly wage. This present maximum weekly benefit level effectively denies any injured worker earning more than $77.00 weekly a benefit equal to the minimum recommended standard.

The need to improve Virginia's law in terms of benefits, coverage, rehabilitation, occupational disease coverage, medical care, and second injuries in addition to other areas is great. The numerical exemption in the Virginia law -- employers of less than seven workers -- is one of the highest in the nation. Numerical exemption are indefensible provisions in the workmen's compensation law of a modern industrial state. Workers in

small plants need this protection more than workers in larger firms. Small firms quite often have no formal safety programs, and they lack the financial resources to protect workers in the event of a serious injury.

The failure of the Virginia law to cover agricultural workers is another serious deficiency in the program. Agriculture is today recognized as one of the most hazardous industries in our nation. The early misgivings concerning the administrative problems involved in covering these workers have been largely dispelled by the experience of jurisdictions that have extended coverage to these workers. Agricultural workers and domestic workers comprise a large element in the Virginia workforce -- approximately 300,000 people. These workers are subject to the same hazards as others, and the consequences of a work injury are just as serious for them and their families. They need, and should be entitled to, the protection of the Virginia workmen's compensation program.

Full protection against occupational disease should be enacted without delay. The existing provision that permits employers to reject full occupational disease coverage should be eliminated from the Virginia law. Over 500 new chemicals are introduced into industry each year. Radioactive substances and radioactive devices are being introduced into industry with increasing rapidity. A modern industrial injury law must take these developments into account.

The absence of rehabilitation provisions in the Virginia law is another serious deficiency. A rehabilitation division should be established within the workmen's compensation agency. Maintenance benefits during rehabilitation such as tuition, books, equipment, tools, travel expenses, living expenses, and other costs related to the successful undertaking of a rehabilitation program should be provided.

Virginia's neighboring states of West Virginia, Maryland, and the District of Columbia have enacted legislation designed to promote the rehabilitation of injured workers in order to return the victims of work injury to gainful employment as rapidly as possible.

The limitation on medical care in the Virginia law is unreasonably strict. There is a definite trend in other states toward unlimited medical care for victims of work related injuries. All of Virginia's neighboring states including Maryland, Delaware, North Carolina, West Virginia and the District of Columbia have already moved in this direction and enacted provisions in their law to provide full medical care.

The limited benefits provided by the Virginia law in fatal work injury cases is another serious deficiency. The law should be amended to provide benefits in fatal cases to a surviving widow during widowhood, and to surviving children until they reach the age of eighteen years, or until they complete their education if they are a student at an institution of higher education.

The absence of a second injury fund under the Virginia workmen's compensation program is inexcusable. All other states in the Region, and all but four states in the United States, have established second injury funds under their workmen's compensation laws. A second or subsequent injury fund is a special fund established within the workmen's compensation system to ensure that a handicapped worker who suffers a subsequent injury on the job will receive full compensation to cover the resultant disability, at the same time ensuring that the employer need pay only the benefits that are due for the second injury. The second injury fund pays the difference between what the worker actually receives in a compensation from the last employer and the compensation he receives for the disability due to the combined injuries.

The second injury fund concept is an attempt to encourage employers to hire handicapped individuals. It limits the employers' liability in case of subsequent work injury and provides maximum workmen's compensation protection to handicapped workers and their families.

There are a number of states in the Region that have enacted workmen's compensation laws that meet more of the recommended standards than the Virginia law:

the District of Columbia law meets	11 standards
the Delaware law meets	8 standards
the Maryland law meets	10 standards
the West Virginia law meets	10 standards

Each of these states have also established broad second injury funds under their programs. In addition, the benefit structure -- both income and medical -- in each state program is superior to that provided in the Virginia law.

The cost of meeting the standards has not placed an excessive burden upon the industries operating in these states, and improving the Virginia law would not necessarily increase the cost of its program. There are a variety of factors that influence the cost of workmen's compensation, and some are more important than others. However, an adequate program -- one that meets most if not all the recommeded standards is not necessarily the most costly. Table IV shows that some jurisdictions that have established workmen's compensation programs recognized as among the best in the country -- Connecticut, Wisconsin, the Federal Government -- have kept the costs of the program at a minimum. In fact, the cost of their programs are identical with cost of the Virginia program.

One of the major reasons the cost of workmen's compensation insurance is higher in one state than another is the hazardous nature of the industry in the state and not the liability of the law. The cost of the program is determined by a number of factors in addition to compensation and medical benefits. An important cost factor is expense loading. Expense loading is the term used to describe the portion of the insurance premium set aside to meet the following insurance firm expenses:

Commissions, Brokerage, and Field Supervision

Adjustment of Claims and Litigation

Salaries and Office Expenses

Contingencies and Profits

Taxes

Accident Prevention and Safety Engineering
and Safety services for employers.

State approved expense loadings are established uniformly for all carriers and usually reflect the costs of the carriers with the highest expenses. This substantially reduces competition between carriers and raises costs unnecessarily.

Recently published data -- October 1966 -- for the year 1964 shows state funds -- exclusive and competitive -- devote 9.4 percent of premiums to expenses. Nonparticipating stock insurance companies, participating stock insurance companies, and mutual insurance companies devote 35 percent of premiums, 26 percent of premiums, and 27 percent of premiums, respectively to expenses.

The single largest expense category for nonparticipating and participating stock insurance companies is acquisition, field supervision, and collection expense. The largest expense category for mutual insurance companies is investigation and adjustment of claims.

The AFL-CIO feels that if state funds can return such a large portion of their premiums to injured workers, while private carriers burden the workmen's compensation system with 25 to 30 percent overhead, state laws can be substantially improved without increasing costs to employers.

The argument that increased workmen's compensation costs will deter industry from moving into a state, or encourage others to leave, has been exaggerated. Workmen's compensation costs are such a small percentage of total fringe costs, they are not a serious consideration for an industry when deciding a question of location.

The cost of workmen's compensation is directly related to incurred losses, and the opportunity to reduce these costs is directly related to improving and enforcing existing safety laws.

TABLE I

RATIO OF MAXIMUM WEEKLY BENEFIT
FOR TEMPORARY TOTAL DISABILITY
TO STATE AVERAGE WEEKLY WAGE
FOR SELECTED YEARS[1]

ALABAMA

	1940	1952	1958	1965	1968
Maximum Weekly Benefit Temporary Total Disability	$16.00	$25.00	$33.00	$45.00	$51.00
Average Weekly Wage reported under State Unemployment Insurance Act	$21.36	$57.32	$70.42	$92.56	$100.00
Ratio of Maximum Weekly Benefit to state average weekly wage	74.9%	43.6%	46.9%	48.6%	51.0%

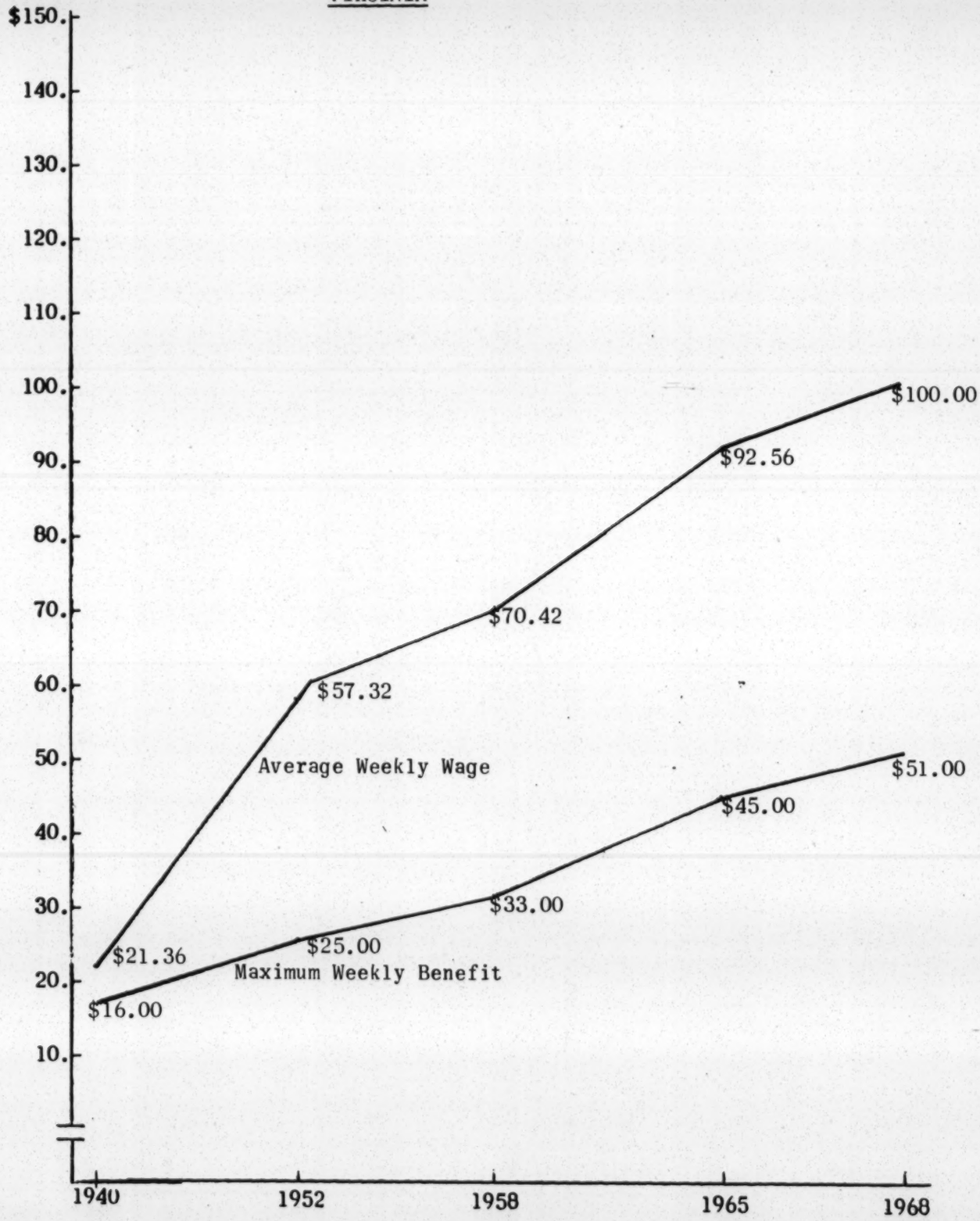
[1]The 1968 ratio and wage data are based upon information reported for calendar year 1967.

Source: AFL-CIO Department of Social Security, February 1969.

CHART I

INCREASE IN STATE AVERAGE WEEKLY WAGE vs. INCREASE IN WORKMEN'S COMPENSATION BENEFITS FOR TEMPORARY TOTAL DISABILITY FOR SELECTED YEARS

VIRGINIA

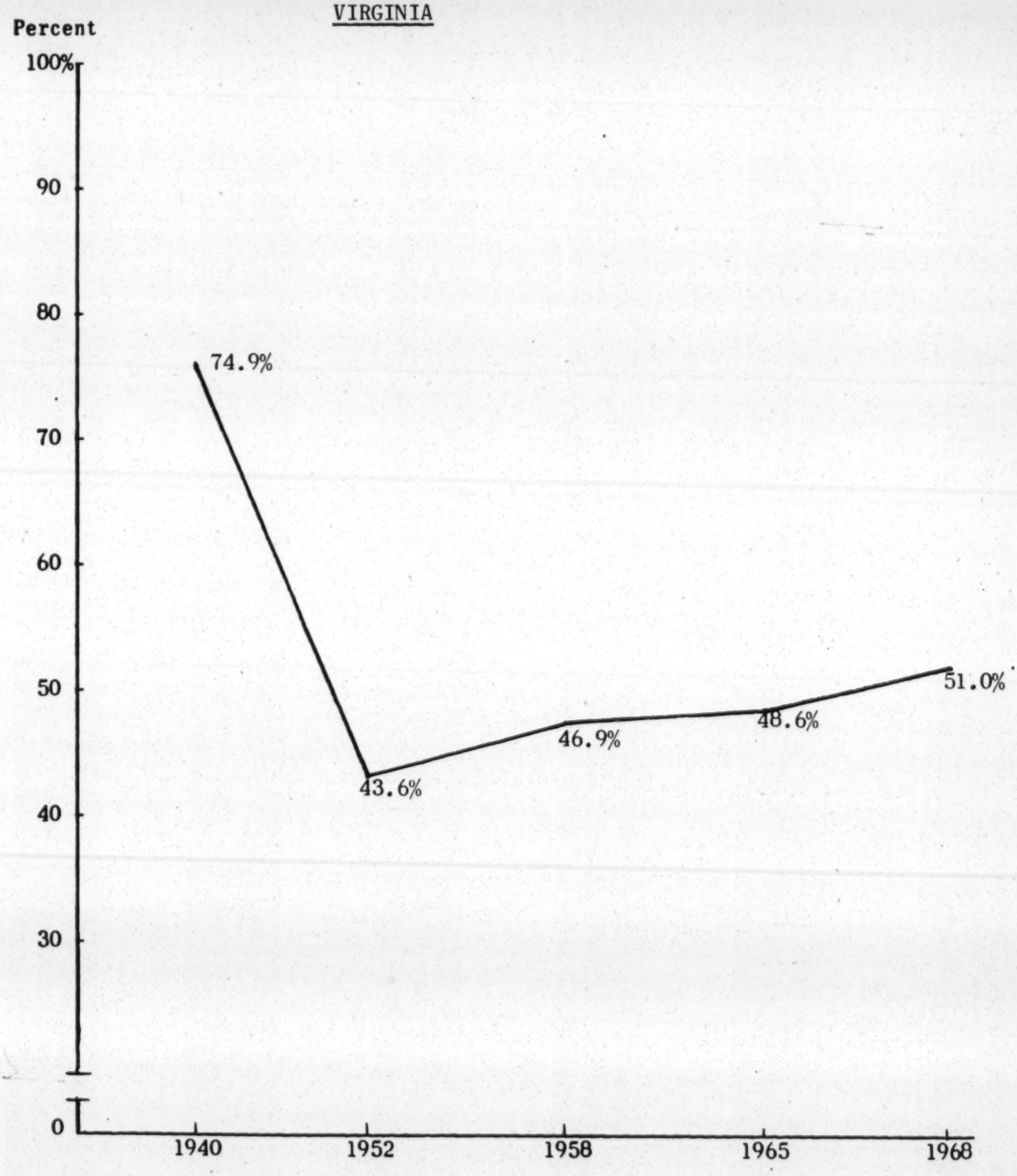


Source: Table I

CHART II

RATIO OF MAXIMUM WEEKLY BENEFIT FOR TEMPORARY TOTAL DISABILITY TO STATE AVERAGE WEEKLY WAGE FOR SELECTED YEARS

VIRGINIA



Source: Table I

MAJOR AFL-CIO STANDARDS FOR
A GOOD WORKMEN'S COMPENSATION LAW

Comparison with Recommended Standards 1/

MINIMUM STANDARDS	Virginia
Compulsory coverage and no numerical exemptions	
Agricultural workers covered in the same manner as other workers	
Full statutory coverage of all occupational diseases	
Workmen's Compensation agency has a rehabilitation division	
Maintenance benefits during rehabilitation	
Full medical benefits for both occupational injury and disease	
Workmen's Compensation agency has authority to supervise and control medical care	X
Choice of qualified physician by injured worker	
Broad second injury fund	
Adequate time for filing occupational disease claims	X
Death benefits to a widow until death or remarriage	
Benefits for the totally disabled for the period of disability	
Illegally employed minors under 18 who are occupationally injured should be paid double benefits	
Maximum compensation for temporary total disability not less than 66 2/3% of average state wage	
Administration by a state agency	X
Exclusive state compensation fund	

1/ A checkmark indicates the state Workmen's Compensation Law contains such a provision.

YARDSTICK FOR WORKMEN'S COMPENSATION LAWS

Administrators of Workmen's Compensation Laws in the States and Provinces of the United States and Canada have agreed to the following goals or standards for benefits to persons injured on the job. Most of these are also the standards recommended by the U. S. Department of Labor and the AFL-CIO.

1. Compulsory Coverage. If the law permits either the employer or the employee to reject workmen's compensation coverage, it does not meet the accepted standards. The uncovered worker, left to his own resources in securing workmen's compensation benefits, is not apt to be as successful in securing adequate compensation for his injury. Generally, small employers lack the financial resources to protect the injured worker unless they are required to carry compensation insurance by law.

2. No Numerical Exemptions. Unless the law applies to all employers regardless of the number of employees, it falls short of protecting all who work for a living. All employers of one or more employees should be covered. Even when a compulsory law is adopted, provisions providing for exemptions of employers with small numbers of workers have circumvented the law in most states. The retention of numerical exemptions stand as a formidable obstacle against labor's efforts to make workmen's compensation an effective program.

3. Coverage of Agricultural Workers. Agriculture is one of the most hazardous kinds of employment. The objection that difficulties of administration require the exemption of farmers and small firms has been proven false by the states that now cover them. Experience has shown that there is no reason to exempt this hazardous area from coverage.

4. Full Coverage of Occupational Diseases. It should not make any difference whether a worker is injured by an accident or injured on his job by a hazard peculiar to the employment. Thirty states cover all occupational diseases. The remainder covered only "scheduled" diseases which means that the worker is protected only for those diseases specifically mentioned in the law. A broad schedule of diseases does not resolve the problem. Schedules of occupational disease tend to become obsolete. Periodic revision fails to keep pace with the rapid changes in work technology. The only sure way to protect the worker is to specify that all occupational diseases are included without enumerating them.

5. Rehabilitation Division Within the Workmen's Compensation Agency. The rehabilitation of an occupationally injured worker should be the special responsibility of the workmen's compensation agency. It is vitally important that the rehabilitation of an injured worker begin immediately and that medical and rehabilitation care be adequately supervised from its inception. The lack of prompt action and supervision can mean the difference between restoring a worker to his full, productive potential and his remaining a cripple for life.

6. Maintenance Benefits During Rehabilitation. One of the basic objectives of workmen's compensation is the restoration of an injured worker to his greatest potential. The injured worker who has suffered a severe wage loss frequently finds it financially impossible to undergo vocational and physical rehabilitation when it requires an additional outlay of funds. Even when full compensation benefits are paid to workers who undergo rehabilitation, such expenses as travel, maintenance away from home, tuition, equipment, etc. may make it impossible for the injured worker to undergo rehabilitation. Maintenance benefits are essential, for

unless rehabilitation begins soon after injury, full physical restoration may be prevented.

7.&8. Full Medical Benefits for Accidental Injury or Occupational Disease. It is unreasonable to attach either time or dollar limits to medical benefits. The injured worker should not have to bear a portion of the medical cost of his occupational injury or disease. Recovery and prompt restoration of an injured worker depends largely on the medical care he receives. Every worker should be entitled to complete care to speed his recovery, to encourage rehabilitation, and to reduce the chance of possible permanent injury.

9. Supervision of Medical Care. The purpose of the compensation system should be to restore the worker to maximum physical well being and to his job as soon as possible. Successful achievement of this objective requires that the administrative agency be given the responsibility by statute to supervise medical care in order to insure accuracy of diagnosis and proper treatment.

10. Free Choice of a Qualified Physician. There are several desirable goals in choosing a physician. The first is the confidential nature of the doctor-patient relationship and the desirability of the patient trusting the doctor. Free choice also eliminates the possibility of a doctor, who is employed or paid by an employer or insurance carrier, from letting this relationship influence his medical opinion. The second is the need to achieve the maximum standards of rehabilitation by permitting compensation administrators sufficient supervision of medical care to insure that medical services are adequate and that the physician freely chosen is qualified.

11. Broad type Coverage for Handicapped Persons Under a Second Injury Fund. Unless an adequate second injury fund is adopted, workmen's compensation handicaps the handicapped in obtaining employment. All but 4 states have special funds in the workmen's compensation program to insure that an employer who hires handicapped workers will not, in the event a handicapped employee is disabled, face higher workmen's compensation costs than he would if the employee had not been handicapped at the time of hire. Any additional liability resulting from the combined disability is paid from the second injury fund. Unfortunately, the great majority of these funds limit coverage to bodily loss or loss of use of a bodily member. Such laws do not provide protection for the vast majority of handicapped workers who suffer from such disabilities as epilepsy, polio, arthritis, heart disease, etc. A good second injury law should not disqualify any handicapped worker because of the type or cause of his disease.

12. The Time Limit for Serving Notice and Making Claim in Occupational Disease Cases Starts Running from the Time of the Worker's Knowledge or the Worker's Disability. Occupational disease frequently does not show up for many years after a worker leaves an employer. Thousands of workers are denied benefits under workmen's compensation because they fail to serve notice or make claim for compensation within the limited dates fixed by a workmen's compensation statute.

13. Waiting Period of Not More than 3 Days with Retroactive Benefits After Two Weeks or Less. A long waiting period forces the injured worker to bear a large portion of the financial burden of any injury. Most state laws provide than an employee will not be entitled to any compensation for the first week of disability until he has been disabled for 3 or 4 weeks. Since 75% of the temporary disability cases heal within 21 days, a large portion of injured workers will not be protected by this provision and will suffer a week's loss of pay without any form of compensation, and a small percentage replacement of total wage loss. A waiting period of three days with retroactive benefits within two weeks should be the maximum waiting period in any law.

14. Benefits Payable to the Widow Extend to Death or Remarriage and To The Children Until They Reach 18. The premise of workmen's compensation is to insure wage loss, not to determine a cash settlement for any single day or days. The family of a deceased worker is entitled to full economic protection.

15. Benefits for Permanent Total Disability Payable for Life or The Period of Disability. The injured worker who is permanently and totally disabled will normally not be able to participate in gainful employment for the rest of his life, and will undoubtedly require more assistance as he advances in age. The disability of a permanent and total injury does not end after a specified number of weeks. Neither should the benefits.

16. Double Benefits to Illegally Employed Minors. A reasonable assumption is that a minor will not have reached his full earning capacity at the time of injury. His compensation benefits will be at a lower amount than an older worker. This can work an extreme hardship on a young worker if the injury results in permanent total disability. Thus, it is only just to provide double benefits to minors injured while illegally employed. Provisions for double compensation also help to insure strict compliance with child-labor laws.

17. Maximum Cash Benefits in Your State Equal to at Least Two-Thirds of Your State's Average Weekly Wage in Covered Employment. The full value of the benefit provisions of most state workmen's compensation laws are denied injured workers by stated maximum amounts that an injured worker can receive. These maximum limitations originally were high enough that a large majority of injured workers could receive adequate benefits. There has been a lag between the normal rise in wages, the cost of living, and action by state legislatures to raise maximum benefit restrictions. For example, in 1940 only ten states had maximum benefit levels for temporary total disability less than two-thirds of the state's average weekly wage and only four of these less than 60 percent and none less than 50 percent.

18. Administration of the Workmen's Compensation Law by a State Agency. The administration of a workmen's compensation law should be placed in the hands of a department under a director who shall supervise all personnel necessary to assure that benefits intended under the law are fully and promptly provided the injured worker. Administration of a workmen's compensation law requires much effort in many complex areas such as medical care, rehabilitation, supervision of benefit payments, etc. Court administration is not adapted for these purposes.

19. Judicial Review Limited to Questions of Law. The purpose for the establishment of workmen's compensation laws was to take settlement claims as much as possible out of the courts and reduce litigation. One way to help reduce litigation is to give the administrative agency exclusive jurisdiction over questions of fact, with appeals to the courts limited to questions of law.

The above are minimum standards. The following pages show how the Workmen's Compensation Law of your state compares with these minimum standards.

TABLE II

EMPLOYERS EXPENDITURES FOR COMPENSATION OF PRODUCTION AND RELATED WORKERS IN MANUFACTURING INDUSTRIES BY REGION - 1962

Compensation Practice	Cost (cents per hour paid for)[1] United States	North east	South	North Central	West
Straight-time pay	$2.15	$2.11	$1.80	$2.31	$2.43
Premium pay	.10	.09	.09	.12	.11
Overtime	.08	.07	.07	.09	.09
Shift differentials	.02	.02	.02	.03	.02
Pay for leave time	.15	.15	.10	.16	.16
Vacations	.09	.09	.07	.10	.09
Holidays	.05	.06	.03	.06	.06
Sick leave	.01	.01	.01	.01	.01
Nonproduction bonuses	.02	.02	.01	.02	.02
Legally required insurance programs	.14	.15	.12	.14	.18
Retirement income and protection	.06	.06	.06	.07	.07
Unemployment Insurance	.05	.06	.04	.05	.06
Occupational injury and illness	.02	.02	.02	.02	.04
Private welfare plans	.13	.13	.10	.16	.13
Life, accident, and health insurance	.07	.06	.05	.08	.07
Pension and retirement plans	.06	.06	.05	.07	.05
Severance or dismissal pay and/or supplemental unemployment benefit fund	.01	.01	-	.01	-

[1]Hours paid for includes paid leave hours, rest periods, coffee breaks, machine down-time, and other non-leave hours paid for but not worked for which employers made direct payments to workers during the year.

Source: U.S. Department of Labor, Bureau of Labor Statistics, Handbook of Labor Statistics 1967, Bulletin No. 1555.

TABLE III

FRINGE PAYMENTS AS CENTS PER PAYROLL HOUR
ALL INDUSTRIES - 1965

Item	Cost (Cents per hour)
Paid rest periods, lunch periods; wash-up clothes-change, get-ready time, etc.	7.2
Paid vacation and bonuses in lieu of vacation	12.
Unworked Holidays	7.6
Sick leave	2.1
Payments for State or National Guard duty, Jury, witness and voting pay allowances, death in family, etc.	0.7
Legally required payments (employer's share only)	
Old age, survivors, and disability insurance	7.5
Unemployment insurance	3.9
Workmen's compensation (including estimated cost of self-insured employers	2.1
Railroad retirement tax, Railroad Unemployment insurance, state sickness benefit insurance, etc.	0.4
Pension plan premiums and pension payments not covered by insurance-type plan	10.8
Life insurance, death benefits, sickness, addicent and medical care insurance, hospitalization insurance	8.7
Contribution to privately financed unemployment benefit funds	0.2
Separation or termination pay allowances	0.2
Discounts on purchases from employer	0.6

Source: Fringe Benefits - 1965, Chamber of Commerce of the United States of America, Washington, D.C., 1966.

TABLE IV

TOTAL BENEFITS AS A PERCENT OF PAYROLLS IN COVERED EMPLOYMENT, BY JURISDICTION, 1964

Less than 0.50
- Connecticut
- Delaware
- Illinois
- Indiana
- Iowa
- Maine
- Michigan
- Nebraska
- North Carolina
- Pennsylvania
- Utah
- Virginia
- Wisconsin
- Federal Employees Compensation Act

0.50 - 0.59
- Alabama
- District of Columbia
- Georgia
- Kentucky
- Missouri
- New York
- South Carolina
- South Dakota
- Vermont

0.60 - 0.69
- Minnesota
- New Hampshire
- North Dakota
- Rhode Island
- Tennessee

0.70 - 0.79
- California
- Colorado
- Hawaii
- Kansas
- Maryland
- Massachusetts
- New Jersey
- West Virginia
- Wyoming

0.80 - 0.99
- Alaska
- Arkansas
- Florida
- Mississippi
- Montana
- Nevada
- Ohio
- Texas

1.00 or more
- Arizona
- Idaho
- Louisiana
- New Mexico
- Oklahoma
- Oregon
- Washington

NOTE: The cost of Workmen's Compensation in your state is less than 50 cents per $100. of payroll.

SOURCE: Social Security Bulletin - October, 1966

EXCLUSIVE STATE FUNDS

The AFL-CIO by convention resolution has endorsed the principle of the exclusive state fund. The resolution reads in part as follows:

> "Resolved: That the AFL-CIO recognizes that the workmen's compensation laws must be overhauled if they are to meet the needs for which they were originally designed, and to meet the challenges of our rapidly changing industrial society; and calls upon all national and international unions to give increased support to state central bodies in their efforts to obtain the following objectives:
>
> 15. An exclusive state compensation fund....."

The cost record of the private insurance carriers clearly indicates the superiority of the exclusive state funds. For example, for the years 1950 - 60, administrative costs of exclusive state funds averaged 6.5% of premiums to expenses. During the same period, the ratio of expenses incurred to net premiums earned for non-participating stock companies, participating stock companies, and mutual companies averaged approximately 37%, 28%, and 25% respectively.

There are several reasons for the wide differential in costs between exclusive state funds and private insurance coverage. Exclusive state funds are non-profit and do not have to use money to maintain a large sales force, or compete by means of expensive advertising. However, the most important factor has been the excessive expense loading used by insurance companies. Expense loading is the portions of the rate set aside to meet anticipated underwriting expenses or overhead. State approved expense loadings are established uniformly for all companies and usually reflect the expenses of the insurance carriers with the highest expenses. This reduces competition between insurance companies and raises costs unnecessarily. Two standard expense loading factors are in general use by insurance companies in the field of workmen's compensation, namely, 37% or 40% of the gross premium charged. Although the expense loading factors may vary among states, the following comparison gives a clear and substantially accurate picture:

	High	Low	Average
Cost of acquiring risk (commissions, brokerage, advertising, etc.)	17.5%	17.5%	17.5%
Claims Adjustment	10.0%	8.0%	9.0%
Inspection and rating bureau	4.0%	2.5%	3.25%
Premium taxes	3.5%	2.0%	2.75%
General expenses and auditing	9.5%	6.5%	8.0%
Totals	44.5%	36.5%	40.5%

Comparative loss ratios of private carriers, 1950 - 1960 bear out the fact that the loss ratio of incurred losses to earned premium has very carefully approximated the expense loading factors of forty percent.

more....

Table V - Comparative loss ratios, private carriers, 1950 - 1960

(Amounts in Millions)

Year	Direct writings related to direct losses paid (2)			Earned premiums related to incurred losses (3)		
	Direct writings (4)	Direct losses paid	Loss ratio	Earned premiums (4)	Incurred losses	Loss ratio
Total	$12,109.5	$5,487.9	53.6	$11,549.6	$7,077.7	61.3
1950....	721.5	381.3	52.8	696.6	427.7	61.4
1951....	844.5	444.4	52.6	789.9	518.5	65.6
1952....	956.3	491.0	51.3	903.7	571.9	63.3
1953....	1,074.1	524.2	48.8	1,010.6	605.4	59.9
1954....	1,067.3	540.5	50.6	1,010.8	561.4	55.5
1955....	1,078.4	562.5	52.2	1,927.9	594.3	57.8
1956....	1,152.8	618.1	53.6	1,103.4	649.3	58.8
1957....	1,234.1	660.9	53.6	1,173.5	706.7	60.2
1958....	1,235.0	694.4	56.2	1,193.9	746.6	62.5
1959....	1,322.5	752.6	56.9	1,271.4	821.7	64.6
1960....	1,423.0	818.0	57.5	1,367.9	874.2	63.9

1. Before 1959, excludes Alaska and Hawaii.
2. Data for 1950-58 from "Spectator: Insurance by States of Fire Marine, Casualty, Surety and Miscellaneous Lines" annual issues. 1959 and 1960 data compiled from published and unpublished reports of State insurance commissions.
3. From National Council on Compensation Insurance, "Insurance Expenses Exhibit (Countrywide)", annual issues.
4. Disregards dividends to policyholders but allows for premium discounts and retrospective rating.
5. Source: - Social Security Bulletin, June, 1962.

The record of the private insurance carriers is one reason Arthur J. Altmeyer, former U. S. Social Security Commissioner, has stated:

> "I believe until we move a considerable distance in the direction of the States themselves assuming responsibility either directly through exclusive State funds or through a State-wide mutual insurance company we shall find it impossible not only to provide adequate benefits to all workers and adequate protection to all employers, but we shall find it impossible to carry on as effectively as we should accident prevention and rehabilitation programs."

An exclusive state fund is one of the most difficult improvements to secure in a workmen's compensation law. However, it is only by continued effort that success will be achieved. We hope that many state central bodies will sponsor exclusive State fund legislation at the next session of their state legislatures.

[K4]

HURT ON THE JOB ?

here's how to

COLLECT YOUR BENEFITS

File: (W.C.) Florida

FLORIDA

WORKMEN'S COMPENSATION LAW

[1967?]

How Does It Compare?

HOW MUCH DO YOU KNOW ABOUT --

WORKMEN'S COMPENSATION
(This is a questionnarie, not a test)

IF YOU GET INJURED ON THE JOB - REPORT your injury to your employer as soon as you are able. Find out from your UNION if you must serve a written notice and make a claim for benefits.

The AFL-CIO thinks that we've got to work to improve state laws -- and we also need a federal law, passed by Congress, to raise the level of payments and eliminate unfair practices.

1. If a worker is temporarily injured in your plant, what is the maximum weekly benefit he can get under your state law? $_____a week

2. Will all his medical expenses be paid ☐ Yes ☐ No

   If not, how much will be paid?_____

3. Will he be allowed to choose a qualified doctor?_____

   If not, who selects his doctor?_____

4. If a worker is injured, who pays him the benefits .....

   ☐ the Company

   ☐ an insurance company from which his employer has bought insurance

   ☐ a fund set up by the state, to which the Company contributes

   Suppose a worker is "permanently disabled" in some ways (for example, he can't lift his arm above the shoulder anymore) will your State provide him rehabilitation benefits?_____

5. An arm at the shoulder is worth $35,100 in Hawaii. Do you know what an arm at the shoulder is worth in your State?_____

6. If a worker is killed on the job does his family get death benefits?_____

   How much?_____ For how long?_____ _____

7. Are these death benefits ☐ higher than death benefits in other States?

   ☐ lower

   ☐ average

8. Whether a worker is disabled because of an accident or because of an occupational disease, he is still disabled. Does your law provide full occupational coverage? _____

YARDSTICK FOR WORKMEN'S COMPENSATION LAWS

Administrators of Workmen's Compensation Laws in the States and Provinces of the United States and Canada have agreed to the following goals or standards for benefits to persons injured on the job. These are also the standards recommended by the U. S. Department of Labor.

1. Compulsory Coverage. If the law permits either the employer or the employee to reject workmen's compensation coverage, it does not meet the accepted standards. The uncovered worker, left to his own resources in securing workmen's compensation benefits, is not apt to be as successful in securing adequate compensation for his injury. Generally, small employers lack the financial resources to protect the injured worker unless they are required to carry compensation insurance by law.

2. No Numerical Exemptions. Unless the law applies to all employers regardless of the number of employees, it falls short of protecting all who work for a living. All employers of one or more employees should be covered. Even when a compulsory law is adopted, provisions providing for exemptions of employers with small numbers of workers have circumvented the law in most states. The retention of numerical exemptions stand as a formidable obstacle against labor's efforts to make workmen's compensation an effective program.

3. Coverage of Agricultural Workers. Agriculture is one of the most hazardous kinds of employment. The objection that difficulties of administration require the exemption of farmers and small firms has been proven false by the states that now cover them. Experience has shown that there is no reason to exempt this hazardous area from coverage.

4. Full Coverage of Occupational Diseases. It should not make any difference whether a worker is injured by an accident or injured on his job by a hazard peculiar to the employment. Thirty states cover all occupational diseases. The remainder covered only "scheduled" diseases which means that the worker is protected only for those diseases specifically mentioned in the law. A broad schedule of diseases does not resolve the problem. Schedules of occupational disease tend to become obsolete. Periodic revision fails to keep pace with the rapid changes in work technology. The only sure way to protect the worker is to specify that all occupational diseases are included without enumerating them.

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The above are minimum standards. The following pages show how the Workmen's Compensation Law of your state compares with these minimum standards.

MAJOR AFL-CIO STANDARDS FOR A GOOD WORKMEN'S COMPENSATION LAW

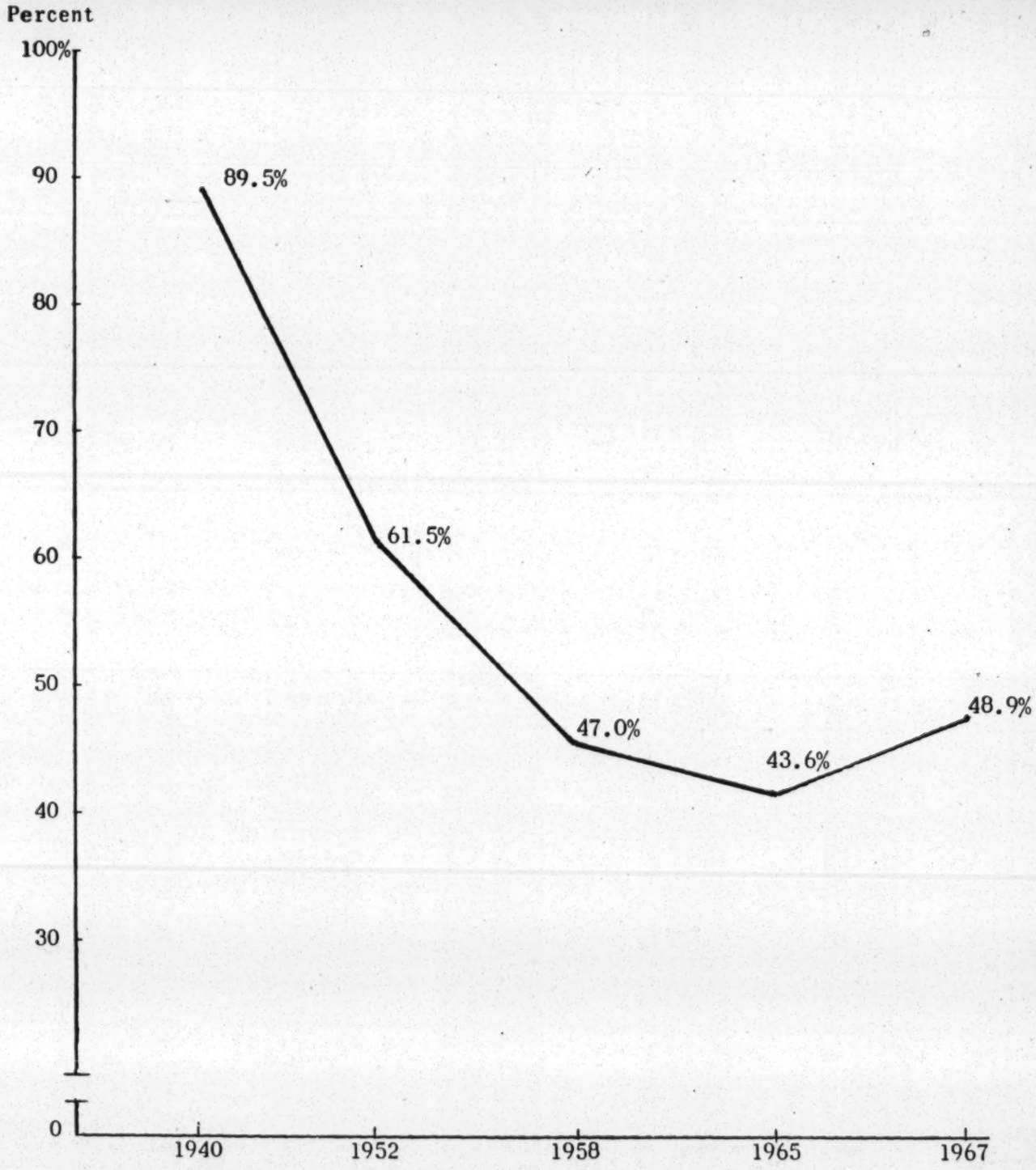
Comparison with Recommended Standards 1/

MINIMUM STANDARDS	FLORIDA
Compulsory coverage and no numerical exemptions	
Agricultural workers covered in the same manner as other workers	
Full statutory coverage of all occupational diseases	X
Workmen's Compensation agency has a rehabilitation division	
Maintenance benefits during rehabilitation	
Full medical benefits for both occupational injury and disease	X
Workmen's Compensation agency has authority to supervise and control medical care	
Choice of qualified physician by injured worker	
Broad second injury fund	
Adequate time for filing occupational disease claims	X
Death benefits to a widow until death or remarriage	
Benefits for the totally disabled for the period of disability	X
Illegally employed minors under 18 who are occupationally injured should be paid double benefits	
Maximum compensation for temporary total disability not less than 66 2/3% of average state wage	
Administration by a state agency	X
Exclusive state compensation fund	

1/ A checkmark indicates the state Workmen's Compensation Law contains such a provision.

FLORIDA

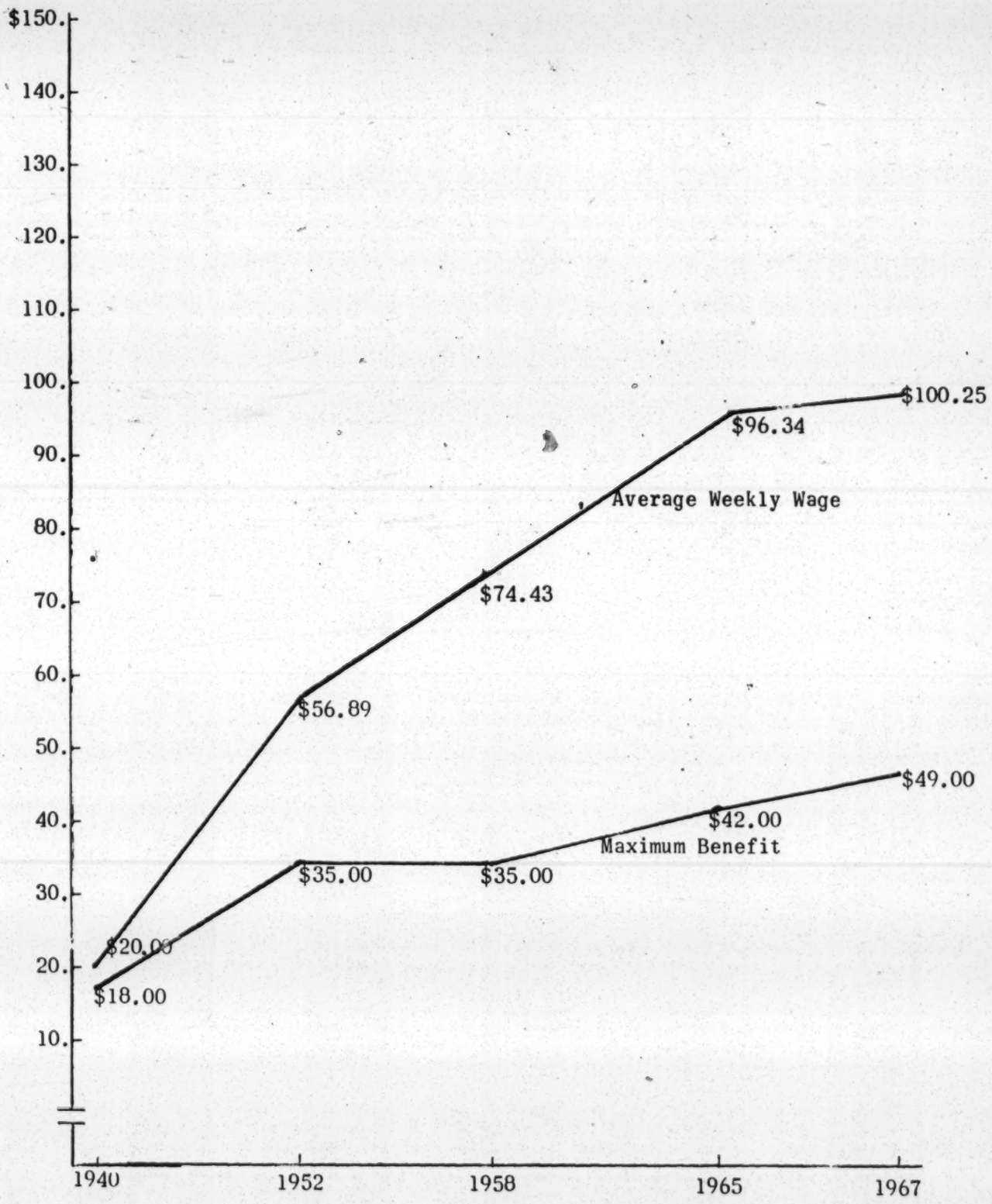
RATIO OF MAXIMUM WEEKLY BENEFIT FOR
TEMPORARY TOTAL DISABILITY TO STATE AVERAGE WEEKLY WAGE
FOR SELECTED YEARS



Source: Table I

FLORIDA

INCREASE IN STATE AVERAGE WEEKLY WAGE vs. INCREASE IN WORKMEN'S COMPENSATION BENEFITS FOR TEMPORARY TOTAL DISABILITY FOR SELECTED YEARS



Source: Table I

TOTAL BENEFITS AS A PERCENT OF PAYROLLS IN COVERED EMPLOYMENT, BY JURISDICTION, 1964

Less than 0.50
- Connecticut
- Delaware
- Illinois
- Indiana
- Iowa
- Maine
- Michigan
- Nebraska
- North Carolina
- Pennsylvania
- Utah
- Virginia
- Wisconsin
- Federal Employees Compensation Act

0.50 - 0.59
- Alabama
- District of Columbia
- Georgia
- Kentucky
- Missouri
- New York
- South Carolina
- South Dakota
- Vermont

0.60 - 0.69
- Minnesota
- New Hampshire
- North Dakota
- Rhode Island
- Tennessee

0.70 - 0.79
- California
- Colorado
- Hawaii
- Kansas
- Maryland
- Massachusetts
- New Jersey
- West Virginia
- Wyoming

0.80 - 0.99
- Alaska
- Arkansas
- Florida
- Mississippi
- Montana
- Nevada
- Ohio
- Texas

1.00 or more
- Arizona
- Idaho
- Louisiana
- New Mexico
- Oklahoma
- Oregon
- Washington

NOTE: The cost of Workmen's Compensation in your state is less than 100 cents per $100. of payroll.

SOURCE: Social Security Bulletin - October, 1966

TABLE I

RATIO OF MAXIMUM WEEKLY BENEFIT
FOR TEMPORARY TOTAL DISABILITY TO
STATE AVERAGE WEEKLY WAGE FOR
SELECTED YEARS

	1940	1952	1958	1965	1967
Weekly Benefit Temporary					
Florida	$18.00	$35.00	$35.00	$42.00	$49.00
Average Weekly Wage reported under State Unemployment Insurance Act[1]					
Florida	$20.11	$56.89	$74.43	$96.34	$100.25
Ratio of Temporary Total Disability Benefit to state average weekly wage					
Florida	89.5%	61.5%	47.0%	43.6%	48.9%

[1]Figures for 1967 based on latest available 1966 wage data.

SUMMARY

The workmen's compensation law of Florida meets only eight of the AFL-CIO recommended standards. This is a rather shocking indictment of the Florida law in view of the inadequate benefit levels and the fact that the cost of workmen's compensation protection in Florida, on the average, is less than $1.00 on each $100 dollars of payroll. This cost is below the 1966 national average of $1.02 for each $100 dollars of payroll.

Workmen's compensation benefits have deteriorated noticeably during the past quarter century in Florida. The pronounced erosion of benefit levels in Florida between 1940 and 1965 has destroyed the original concept of workmen's compensation system -- replacement of 66 2/3 percent of lost wages -- for most workers in the state.

The legislated adjustments in workmen's compensation income benefits have lagged far behind increases in the state wage level. The maximum weekly benefit in 1940 equaled 89.5% of the Florida average weekly wage. However, since 1940 the maximum weekly benefit has declined steadily as a percent of the average weekly wage. Today, it represents less than 50.0% of the state average weekly wage.

The maximum weekly benefit for temporary total disability is higher in the neighboring states of Georgia and South Carolina. The workmen's compensation protection afforded surviving dependents in cases of fatal work injury are higher in many states in the South including Alabama, South Carolina, Virginia, and Kentucky.

There is no principle so universally accepted in theory and so universally ignored in fact as the concept of adequately providing for industrially injured workers and their families. The cost burden of Florida employers for workmen's compensation has been light. Where the need is so great, and the cost is so small, there is every obligation for the State to act.

EXCLUSIVE STATE FUNDS

The AFL-CIO by convention resolution has endorsed the principle of the exclusive state fund. The resolution reads in part as follows:

"Resolved: That the AFL-CIO recognizes that the workmen's compensation laws must be overhauled if they are to meet the needs for which they were originally designed, and to meet the challenges of our rapidly changing industrial society; and calls upon all national and international unions to give increased support to state central bodies in their efforts to obtain the following objectives:

15. An exclusive state compensation fund....."

The cost record of the private insurance carriers clearly indicates the superiority of the exclusive state funds. For example, for the years 1950 - 60, administrative costs of exclusive state funds averaged 6.5% of premiums to expenses. During the same period, the ratio of expenses incurred to net premiums earned for non-participating stock companies, participating stock companies, and mutual companies averaged approximately 37%, 28%, and 25% respectively.

There are several reasons for the wide differential in costs between exclusive state funds and private insurance coverage. Exclusive state funds are non-profit and do not have to use money to maintain a large sales force, or compete by means of expensive advertising. However, the most important factor has been the excessive expense loading used by insurance companies. Expense loading is the portions of the rate set aside to meet anticipated underwriting expenses or overhead. State approved expense loadings are established uniformly for all companies and usually reflect the expenses of the insurance carriers with the highest expenses. This reduces competition between insurance companies and raises costs unnecessarily. Two standard expense loading factors are in general use by insurance companies in the field of workmen's compensation, namely, 37% or 40% of the gross premium charged. Although the expense loading factors may vary among states, the following comparison gives a clear and substantially accurate picture:

	High	Low	Average
Cost of acquiring risk (commissions, brokerage, advertising, etc.)	17.5%	17.5%	17.5%
Claims Adjustment	10.0%	8.0%	9.0%
Inspection and rating bureau	4.0%	2.5%	3.25%
Premium taxes	3.5%	2.0%	2.75%
General expenses and auditing	9.5%	6.5%	8.0%
Totals	44.5%	36.5%	40.5%

Comparative loss ratios of private carriers, 1950 - 1960 bear out the fact that the loss ratio of incurred losses to earned premium has very carefully approximated the expense loading factors of forty percent.

more....

TABLE II

Comparative loss ratios, private carriers, 1950 - 1960

(Amounts in Millions)

Year	Direct writings related to direct losses paid (2)			Earned premiums related to incurred losses (3)		
	Direct writings (4)	Direct losses paid	Loss ratio	Earned pre-miums (4)	Incurred losses	Loss ratio
Total	$12,109.5	$5,487.9	53.6	$11,549.6	$7,077.7	61.3
1950....	721.5	381.3	52.8	696.6	427.7	61.4
1951....	844.5	444.4	52.6	789.9	518.5	65.6
1952....	956.3	491.0	51.3	903.7	571.9	63.3
1953....	1,074.1	524.2	48.8	1,010.6	605.4	59.9
1954....	1,067.3	540.5	50.6	1,010.8	561.4	55.5
1955....	1,078.4	562.5	52.2	1,927.9	594.3	57.8
1956....	1,152.8	618.1	53.6	1,103.4	649.3	58.8
1957....	1,234.1	660.9	53.6	1,173.5	706.7	60.2
1958....	1,235.0	694.4	56.2	1,193.9	746.6	62.5
1959....	1,322.5	752.6	56.9	1,271.4	821.7	64.6
1960....	1,423.0	818.0	57.5	1,367.9	874.2	63.9

1. Before 1959, excludes Alaska and Hawaii.
2. Data for 1950-58 from "Spectator: Insurance by States of Fire Marine, Casualty, Surety and Miscellaneous Lines" annual issues. 1959 and 1960 data compiled from published and unpublished reports of State insurance commissions.
3. From National Council on Compensation Insurance, "Insurance Expenses Exhibit (Countrywide)", annual issues.
4. Disregards dividends to policyholders but allows for premium discounts and retrospective rating.
5. Source: - Social Security Bulletin, June, 1962.

The record of the private insurance carriers is one reason Arthur J. Altmeyer, former U. S. Social Security Commissioner, has stated:

> "I believe until we move a considerable distance in the direction of the States themselves assuming responsibility either directly through exclusive State funds or through a State-wide mutual insurance company we shall find it impossible not only to provide adequate benefits to all workers and adequate protection to all employers, but we shall find it impossible to carry on as effectively as we should accident prevention and rehabilitation programs."

An exclusive state fund is one of the most difficult improvements to secure in a workmen's compensation law. However, it is only by continued effort that success will be achieved. We hope that many state central bodies will sponsor exclusive State fund legislation at the next session of their state legislatures.

Workmen's Compensation

RESOLUTION NO. 251 - Adopted by the Seventh Constitutional Convention, AFL-CIO, Bal Harbour, Florida, December, 1967.

Workmen's compensation, our oldest form of social insurance, is now approaching its 60th anniversary. Our system is based on the principle that since accidents are attributable to production, their costs should be borne by the society that benefits from the production. Our workmen's compensation system is also based on the principle that by providing prompt monetary and medical benefits to injured workers, it will not only benefit them and their families but the cost to society is less, because it reduces to a minimum the loss of the injured worker's productive services and the burden of supporting the workers and his family.

Defects were recognized in the early laws, right from the start, but future legislative action was expected to correct many of these deficiencies. We regret that, in the main, these hopes have not been realized in state legislation.

The United States Congress took steps to correct deficiencies in the Federal Employes Compensation Act in 1966. The Congress passed a number of amendments to this Act that substantially improved the workmen's compensation protection provided for federal workers and their families.

The President, at the time he signed the amendments into law, urged the other jurisdictions to examine their laws in the light of the amendments to the Federal Act. At the same time, he urged them to take the action necessary to assure all American workers and their families adequate workmen's compensation protection. Congress is now giving consideration to the President's recommendation in pending legislation which would substantially improve the Longshoremen's and Harbor Workers' Act. The proposed amendments would enhance workmen's compensation protection for longshoremen, workers in the District of Columbia, and other workers covered by this Act.

Unfortunately, despite the persistent efforts of the AFL-CIO state labor bodies, few state legislatures have demonstrated a similar concern for injured workmen.

Compulsory coverage, without numerical exemptions, is still the exception rather than the rule. Coverage for agricultural workers has been shamefully ignored despite the recognized hazardous nature of employment in agriculture.

The original goal of workmen's compensation legislation was to restore to injured workers at least two-thirds of their wage losses due to industrial injuries. The gap between this objective and what the law actually provides for injured workers reflects one of the most serious inadequacies of our present system. In cases of temporary total disability, maximum benefit amounts in the majority of states deny many workers a benefit equal to two-thirds of their average weekly wage.

In many states the statutory maximum weekly benefit level is less than 50 percent of the statewide average weekly wage. The inadequacy of benefits for more serious injuries resulting in permanent disability is even worse, since these inadequate benefits can result in a lifetime of deprivation for workers and their families.

Only 20 states provide cash benefits to a widow until her death or remarriage, and for children until they reach 18 years of age. Only a very few states continue benefits to dependent children continuing their education beyond the age of 18.

One-third of our states fail to cover all occupational diseases. In addition, workers are frequently denied compensation under existing occupational disease coverage because of restrictive time limits within which they must file a claim.

Because 22 states still fail to provide full medical benefits, a worker in any one of these states may have to bear a portion of the medical cost for occupational injury or disease.

Rehabilitation programs are provided in only about one-half of our workmen's compensation laws and even many of these are not fully satisfactory.

The poor administration of some laws is another burden the present system has placed upon injured workers. Greater attention should be given to the collection and distribution of information concerning the operation of the system, investigation and enforcement of coverage, closer supervision of claims settlements, adjudication of contested claims, supervision of rehabilitation and medical care, safety promotion, and statistical analysis of the work of the state agencies.

These glaring inadequacies are but a few of the many problems that exist within our present system of workmen's compensation. They reflect the need for greater federal participation in the system and the need for minimum federal standards if injured workers and their families are to receive adequate workmen's compensation protection. Despite valiant efforts by AFL-CIO state central bodies which have for years been leaders in the struggle to improve existing laws, the results have been all too meager. We are convinced that lasting improvement in workmen's compensation can be achieved only by a determined effort at the federal level including the establishment of federal minimum standards respecting the main features of state laws. Therefore, be it

RESOLVED: That the AFL-CIO continues to recognize that our workmen's compensation laws must be overhauled if they are to fulfill the needs for which they were originally designed, and to meet the challenges of our rapidly changing industrial society; and calls upon all of our affiliated unions to give increased support to state central bodies in their efforts to obtain the following minimum standards in state laws:

1. Compulsory coverage with no numerical exemptions.

2. Coverage of agricultural workers in the same manner as other employes.

3. Benefit levels sufficient to maintain a decent standard of living for injured workers and their dependents, with weekly benefits of not less than two-thirds of the injured worker's average weekly wage.

4. Reciprocity of benefit rights between jurisdictions.

5. Time limits within which an employe must file a claim for occupational disease should be at least one year after the date when employe has knowledge of the nature of his disability and its relation to his job and until after disablement.

6. Full statutory coverage of all occupational diseases.

7. Coverage of diseases caused by ionizing radiation.

8. Full medical benefits for job-incurred personal injuries and occupational diseases.

9. Full compensation protection under second injury funds.

10. Free choice of qualified physician by injured workers.

11. The workmen's compensation agency to have the authority to supervise and control medical care of injured workers.

12. The workmen's compensation agency to include a rehabilitation division which should promote full utilization and development of rehabilitation facilities for the benefit of injured workers.

13. Maintenance benefits during rehabilitation.

14. Administration under a state agency rather than by the courts.

15. An exclusive state compensation fund.

16. Benefits for the totally disabled for the period of disability.

17. In case of death, benefits to be paid to the widow until her death or remarriage, and to children at least during their minority, and to other dependents during the period of their inability of self-support.

18. Minors under 18 who are injured on the job if employed in violation of any state law to be paid benefits double those otherwise payable.

19. Prohibition of special contracts with employers whereby a worker with a specific physical defect waives his right to compensation in the event of a subsequent injury.

20. Prohibition of lump-sum settlements and compromise of rights to full medical care under compromise and release settlements unless the workmen's compensation agency approves such a settlement on the advice of the appropriate state rehabilitation unit or agency.

21. Judicial review to be limited to consideration of the record of the workmen's compensation agency on questions of law only without trial de novo. In addition, there should be an appeals board which has no administrative responsibilities and from which appeal on matters of law only can be made to the highest court in the state (this standard is based on the assumptions that the administration of the state law is of a quality that assures adequate protection to injured workmen, and that jury trials and trials de novo will continue until administration of state laws reaches a level that fully protects the rights of all injured workers and their families).

RESOLVED: That the AFL-CIO urge the Congress to enact without delay the pending amendments to the Longshoremen's and Harbor Workers' Act.

RESOLVED: That we reaffirm our request to the Department of Labor to upgrade its efforts to improve workmen's compensation laws by developing and sponsoring legislation establishing minimum federal standards for workmen's compensation.

RESOLVED: That this convention renews its pledge to support the enactment of a Federal Workmen's Compensation Act. But, short of this, we urge the Congress of the United States to enact legislation establishing federal minimum standards that will provide meaningful protection to injured workers and their families.

HUMAN REHABILITATION

Resolution No. 253 - Adopted by the Seventh Constitutional Convention, AFL-CIO, Bal Harbour, Florida, December, 1967.

In spite of great progress in legislation, rehabilitation techniques, and public awareness and support, the major portion of the difficult job of rehabilitating the handicapped still remains. Individuals who in earlier years would have had brief life expectancies are now living into old age with chronic disabling and handicapping conditions. New hazards and changing technology are also contributing to the increase in the incidence of disability. While rehabilitation programs are expanded in hopes of restoring the handicapped to useful employment, medical science is expanding the number of the handicapped by prolonging human life, and changing technology is adding new barriers to their employment.

Rehabilitation is becoming increasingly important to labor because it is a concept that is influencing the whole health and welfare field. Organized labor working with the National Institutes on Rehabilitation and Health Services had sponsored numerous rehabilitation conferences and has successfully established a number of labor rehabilitation projects. Organized labor also has participated actively in the work of the National Advisory Council on Vocational Rehabilitation, the President's Committee on Employment of the Handicapped and similar national and state committees, as well as on the community level to promote rehabilitation and hiring of the handicapped. The Social and Rehabilitation Service of the Department of Health, Education and Welfare should help to provide more comprehensive rehabilitation services to a wider range of the population. We commend the progress that has been made by both public and voluntary agencies in rehabilitating the disabled.

This greater recognition of the need for comprehensive services to the handicapped through the integrated efforts of a number of agencies will contribute to continued progress. Yet much more must be done. Therefore, be it

RESOLVED: That all state and local bodies support legislative action matching maximum amounts of state funds to available federal appropriations for rehabilitation programs and cooperate with State Vocational Rehabilitation Agencies.

That affiliated bodies actively participate im programs to rehabilitate union members and to support community rehabilitation programs.

That prohibition against discrimination in the employment of the handicapped be included in fair employment practices clauses of collective bargaining agreements.

That the experience of such labor rehabilitation projects as that of the Sidney Hillman Health Center in New York City, the New York City Central Labor Council, and the Iowa Federation of Labor should be widely disseminated and affiliated bodies should work closely with, support and promote the efforts of the National Institutes on Rehabilitation and Health Services to hold rehabilitation conferences and to establish labor rehabilitation projects.

file (W.C.)

GEORGIA, ALABAMA, AND MISSISSIPPI

WORKMEN'S COMPENSATION LAWS

[1967?]

How They Compare?

HOW MUCH DO YOU KNOW ABOUT --

WORKMEN'S COMPENSATION
(This is a questionnarie, not a test)

IF YOU GET INJURED ON THE JOB - REPORT your injury to your employer as soon as you are able. Find out from your UNION if you must serve a written notice and make a claim for benefits.

The AFL-CIO thinks that we've got to work to improve state laws -- and we also need a federal law, passed by Congress, to raise the level of payments and eliminate unfair practices.

1. If a worker is temporarily injured in your plant, what is the maximum weekly benefit he can get under your state law? $_____a week

2. Will all his medical expenses be paid ☐ Yes ☐ No

   If not, how much will be paid?_____

3. Will he be allowed to choose a qualified doctor?_____

   If not, who selects his doctor?_____

4. If a worker is injured, who pays him the benefits .....

   ☐ the Company

   ☐ an insurance company from which his employer has bought insurance

   ☐ a fund set up by the state, to which the Company contributes

   Suppose a worker is "permanently disabled" in some ways (for example, he can't lift his arm above the shoulder anymore) will your State provide him rehabilitation benefits?_____

5. An arm at the shoulder is worth $35,100 in Hawaii. Do you know what an arm at the shoulder is worth in your State?_____

6. If a worker is killed on the job does his family get death benefits?_____

   How much?_____ For how long?_____

7. Are these death benefits ☐ higher than death benefits in other States?

   ☐ lower

   ☐ average

8. Whether a worker is disabled because of an accident or because of an occupational disease, he is still disabled. Does your law provide full occupational coverage? _____

opeiu #2 afl-cio

YARDSTICK FOR WORKMEN'S COMPENSATION LAWS

Administrators of Workmen's Compensation Laws in the States and Provinces of the United States and Canada have agreed to the following goals or standards for benefits to persons injured on the job. These are also the standards recommended by the U. S. Department of Labor.

1. Compulsory Coverage. If the law permits either the employer or the employee to reject workmen's compensation coverage, it does not meet the accepted standards. The uncovered worker, left to his own resources in securing workmen's compensation benefits, is not apt to be as successful in securing adequate compensation for his injury. Generally, small employers lack the financial resources to protect the injured worker unless they are required to carry compensation insurance by law.

2. No Numerical Exemptions. Unless the law applies to all employers regardless of the number of employees, it falls short of protecting all who work for a living. All employers of one or more employees should be covered. Even when a compulsory law is adopted, provisions providing for exemptions of employers with small numbers of workers have circumvented the law in most states. The retention of numerical exemptions stand as a formidable obstacle against labor's efforts to make workmen's compensation an effective program.

3. Coverage of Agricultural Workers. Agriculture is one of the most hazardous kinds of employment. The objection that difficulties of administration require the exemption of farmers and small firms has been proven false by the states that now cover them. Experience has shown that there is no reason to exempt this hazardous area from coverage.

4. Full Coverage of Occupational Diseases. It should not make any difference whether a worker is injured by an accident or injured on his job by a hazard peculiar to the employment. Thirty states cover all occupational diseases. The remainder covered only "scheduled" diseases which means that the worker is protected only for those diseases specifically mentioned in the law. A broad schedule of diseases does not resolve the problem. Schedules of occupational disease tend to become obsolete. Periodic revision fails to keep pace with the rapid changes in work technology. The only sure way to protect the worker is to specify that all occupational diseases are included without enumerating them.

5. Rehabilitation Division Within the Workmen's Compensation Agency. The rehabilitation of an occupationally injured worker should be the special responsibility of the workmen's compensation agency. It is vitally important that the rehabilitation of an injured worker begin immediately and that medical and rehabilitation care be adequately supervised from its inception. The lack of prompt action and supervision can mean the difference between restoring a worker to his full, productive potential and his remaining a cripple for life.

6. Maintenance Benefits During Rehabilitation. One of the basic objectives of workmen's compensation is the restoration of an injured worker to his greatest potential. The injured worker who has suffered a severe wage loss frequently finds it financially impossible to undergo vocational and physical rehabilitation when it requires an additional outlay of funds. Even when full compensation benefits are paid to workers who undergo rehabilitation, such expenses as travel, maintenance away from home, tuition, equipment, etc. may make it impossible for the injured worker to undergo rehabilitation. Maintenance benefits are essential; for

unless rehabilitation begins soon after injury, full physical restoration may be prevented.

7.&8. Full Medical Benefits for Accidental Injury or Occupational Disease. It is unreasonable to attach either time or dollar limits to medical benefits. The injured worker should not have to bear a portion of the medical cost of his occupational injury or disease. Recovery and prompt restoration of an injured worker depends largely on the medical care he receives. Every worker should be entitled to complete care to speed his recovery, to encourage rehabilitation, and to reduce the chance of possible permanent injury.

9. Supervision of Medical Care. The purpose of the compensation system should be to restore the worker to maximum physical well being and to his job as soon as possible. Successful achievement of this objective requires that the administrative agency be given the responsibility by statute to supervise medical care in order to insure accuracy of diagnosis and proper treatment.

10. Free Choice of a Qualified Physician. There are several desirable goals in choosing a physician. The first is the confidential nature of the doctor-patient relationship and the desirability of the patient trusting the doctor. Free choice also eliminates the possibility of a doctor, who is employed or paid by an employer or insurance carrier, from letting this relationship influence his medical opinion. The second is the need to achieve the maximum standards of rehabilitation by permitting compensation administrators sufficient supervision of medical care to insure that medical services are adequate and that the physician freely chosen is qualified.

11. Broad type Coverage for Handicapped Persons Under a Second Injury Fund. Unless an adequate second injury fund is adopted, workmen's compensation handicaps the handicapped in obtaining employment. All but 4 states have special funds in the workmen's compensation program to insure that an employer who hires handicapped workers will not, in the event a handicapped employee is disabled, face higher workmen's compensation costs than he would if the employee had not been handicapped at the time of hire. Any additional liability resulting from the combined disability is paid from the second injury fund. Unfortunately, the great majority of these funds limit coverage to bodily loss or loss of use of a bodily member. Such laws do not provide protection for the vast majority of handicapped workers who suffer from such disabilities as epilepsy, polio, arthritis, heart disease, etc. A good second injury law should not disqualify any handicapped worker because of the type or cause of his disease.

12. The Time Limit for Serving Notice and Making Claim in Occupational Disease Cases Starts Running from the Time of the Worker's Knowledge or the Worker's Disability. Occupational disease frequently does not show up for many years after a worker leaves an employer. Thousands of workers are denied benefits under workmen's compensation because they fail to serve notice or make claim for compensation within the limited dates fixed by a workmen's compensation statute.

13. Waiting Period of Not More than 3 Days with Retroactive Benefits After Two Weeks or Less. A long waiting period forces the injured worker to bear a large portion of the financial burden of any injury. Most state laws provide than an employee will not be entitled to any compensation for the first week of disability until he has been disabled for 3 or 4 weeks. Since 75% of the temporary disability cases heal within 21 days, a large portion of injured workers will not be protected by this provision and will suffer a week's loss of pay without any form of compensation, and a small percentage replacement of total wage loss. A waiting period of three days with retroactive benefits within two weeks should be the maximum waiting period in any law.

14. Benefits Payable to the Widow Extend to Death or Remarriage and To The Children Until They Reach 18. The premise of workmen's compensation is to insure wage loss, not to determine a cash settlement for any single day or days. The family of a deceased worker is entitled to full economic protection.

15. Benefits for Permanent Total Disability Payable for Life or The Period of Disability. The injured worker who is permanently and totally disabled will normally not be able to participate in gainful employment for the rest of his life, and will undoubtedly require more assistance as he advances in age. The disability of a permanent and total injury does not end after a specified number of weeks. Neither should the benefits.

16. Double Benefits to Illegally Employed Minors. A reasonable assumption is that a minor will not have reached his full earning capacity at the time of injury. His compensation benefits will be at a lower amount than an older worker. This can work an extreme hardship on a young worker if the injury results in permanent total disability. Thus, it is only just to provide double benefits to minors injured while illegally employed. Provisions for double compensation also help to insure strict compliance with child-labor laws.

17. Maximum Cash Benefits in Your State Equal to at Least Two-Thirds of Your State's Average Weekly Wage in Covered Employment. The full value of the benefit provisions of most state workmen's compensation laws are denied injured workers by stated maximum amounts that an injured worker can receive. These maximum limitations originally were high enough that a large majority of injured workers could receive adequate benefits. There has been a lag between the normal rise in wages, the cost of living, and action by state legislatures to raise maximum benefit restrictions. For example, in 1940 only ten states had maximum benefit levels for temporary total disability less than two-thirds of the state's average weekly wage and only four of these less than 60 percent and none less than 50 percent.

18. Administration of the Workmen's Compensation Law by a State Agency. The administration of a workmen's compensation law should be placed in the hands of a department under a director who shall supervise all personnel necessary to assure that benefits intended under the law are fully and promptly provided the injured worker. Administration of a workmen's compensation law requires much effort in many complex areas such as medical care, rehabilitation, supervision of benefit payments, etc. Court administration is not adapted for these purposes.

19. Judicial Review Limited to Questions of Law. The purpose for the establishment of workmen's compensation laws was to take settlement claims as much as possible out of the courts and reduce litigation. One way to help reduce litigation is to give the administrative agency exclusive jurisdiction over questions of fact, with appeals to the courts limited to questions of law.

The above are minimum standards. The following pages show how the Workmen's Compensation Law of your state compares with these minimum standards.

MAJOR AFL-CIO STANDARDS FOR
A GOOD WORKMEN'S COMPENSATION LAW

Comparison with Recommended Standards 1/

MINIMUM STANDARDS	Georgia
Compulsory coverage and no numerical exemptions	
Agricultural workers covered in the same manner as other workers	
Full statutory coverage of all occupational diseases	
Workmen's Compensation agency has a rehabilitation division	
Maintenance benefits during rehabilitation	
Full medical benefits for both occupational injury and disease	
Workmen's Compensation agency has authority to supervise and control medical care	X
Choice of qualified physician by injured worker	
Broad second injury fund	
Adequate time for filing occupational disease claims	
Death benefits to a widow until death or remarriage	
Benefits for the totally disabled for the period of disability	
Illegally employed minors under 18 who are occupationally injured should be paid double benefits	
Maximum compensation for temporary total disability not less than 66 2/3% of average state wage	
Administration by a state agency	X
Exclusive state compensation fund	

1/ A checkmark indicates the state Workmen's Compensation Law contains such a provision.

MAJOR AFL-CIO STANDARDS FOR
A GOOD WORKMEN'S COMPENSATION LAW

Comparison with Recommended Standards 1/

MINIMUM STANDARDS	Alabama
Compulsory coverage and no numerical exemptions	
Agricultural workers covered in the same manner as other workers	
Full statutory coverage of all occupational diseases	
Workmen's Compensation agency has a rehabilitation division	
Maintenance benefits during rehabilitation	
Full medical benefits for both occupational injury and disease	
Workmen's Compensation agency has authority to supervise and control medical care	
Choice of qualified physician by injured worker	
Broad second injury fund	
Adequate time for filing occupational disease claims	
Death benefits to a widow until death or remarriage	
Benefits for the totally disabled for the period of disability	
Illegally employed minors under 18 who are occupationally injured should be paid double benefits	X
Maximum compensation for temporary total disability not less than 66 2/3% of average state wage	
Administration by a state agency	
Exclusive state compensation fund	

1/ A checkmark indicates the state Workmen's Compensation Law contains such a provision.

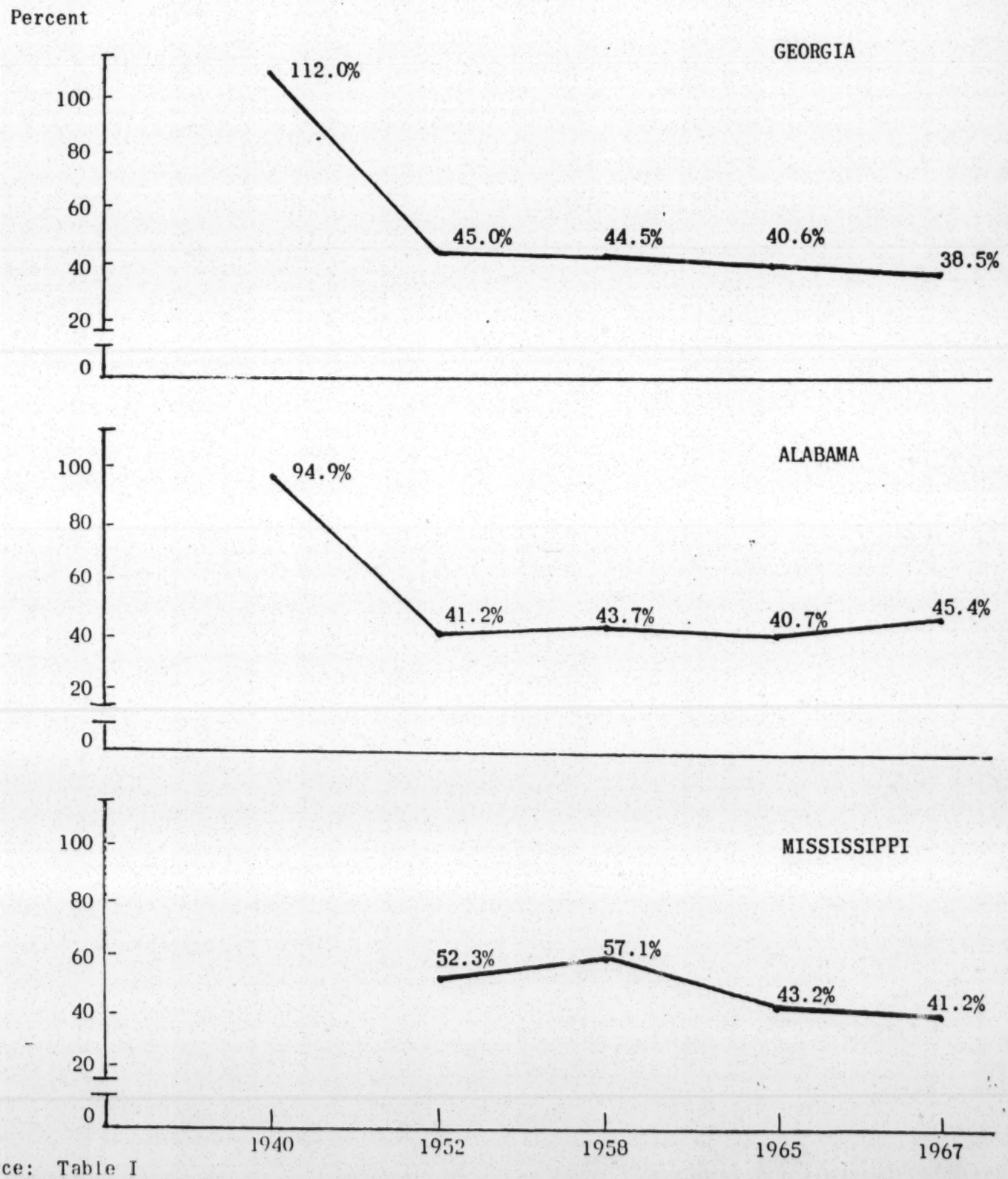
MAJOR AFL-CIO STANDARDS FOR
A GOOD WORKMEN'S COMPENSATION LAW

Comparison with Recommended Standards 1/

MINIMUM STANDARDS	Mississippi
Compulsory coverage and no numerical exemptions	
Agricultural workers covered in the same manner as other workers	
Full statutory coverage of all occupational diseases	
Workmen's Compensation agency has a rehabilitation division	
Maintenance benefits during rehabilitation	X
Full medical benefits for both occupational injury and disease	X
Workmen's Compensation agency has authority to supervise and control medical care	
Choice of qualified physician by injured worker	
Broad second injury fund	
Adequate time for filing occupational disease claims	
Death benefits to a widow until death or remarriage	
Benefits for the totally disabled for the period of disability	
Illegally employed minors under 18 who are occupationally injured should be paid double benefits	
Maximum compensation for temporary total disability not less than 66 2/3% of average state wage	
Administration by a state agency	X
Exclusive state compensation fund	

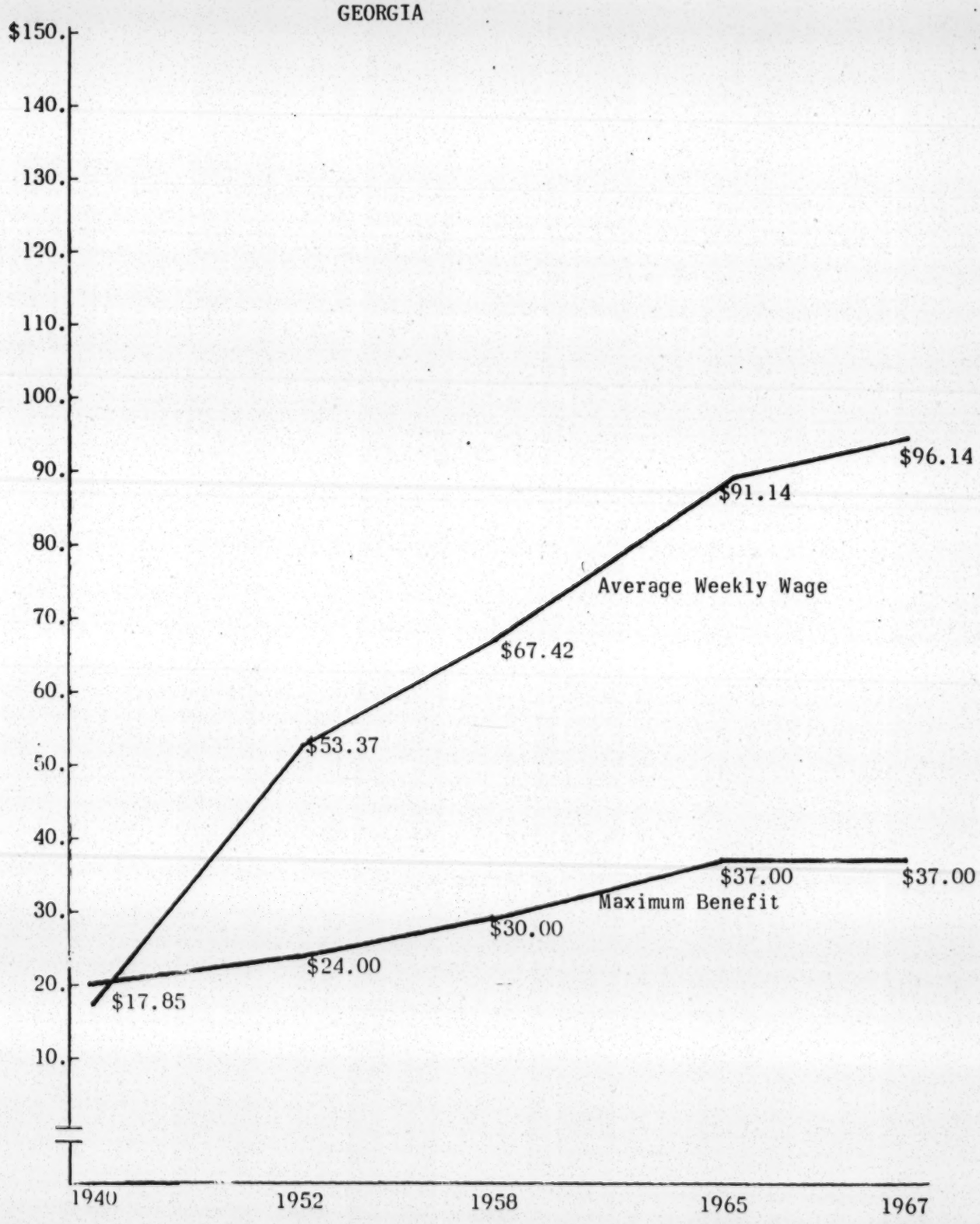
1/ A checkmark indicates the state Workmen's Compensation Law contains such a provision.

RATIO OF MAXIMUM WEEKLY BENEFIT FOR
TEMPORARY TOTAL DISABILITY TO STATE AVERAGE WEEKLY WAGE
FOR SELECTED YEARS



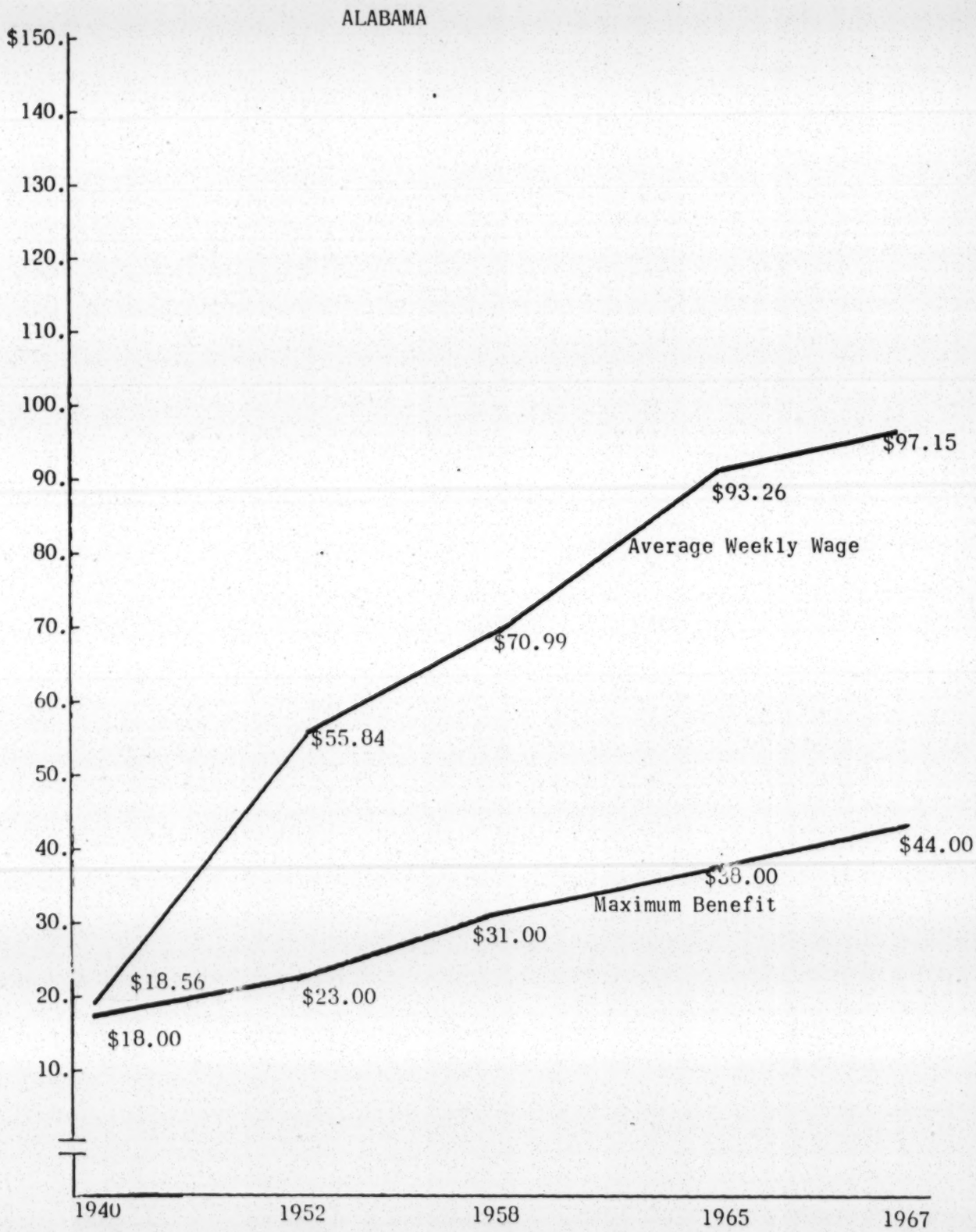
Source: Table I

INCREASE IN STATE AVERAGE WEEKLY WAGE vs. INCREASE IN WORKMEN'S COMPENSATION BENEFITS FOR TEMPORARY TOTAL DISABILITY FOR SELECTED YEARS



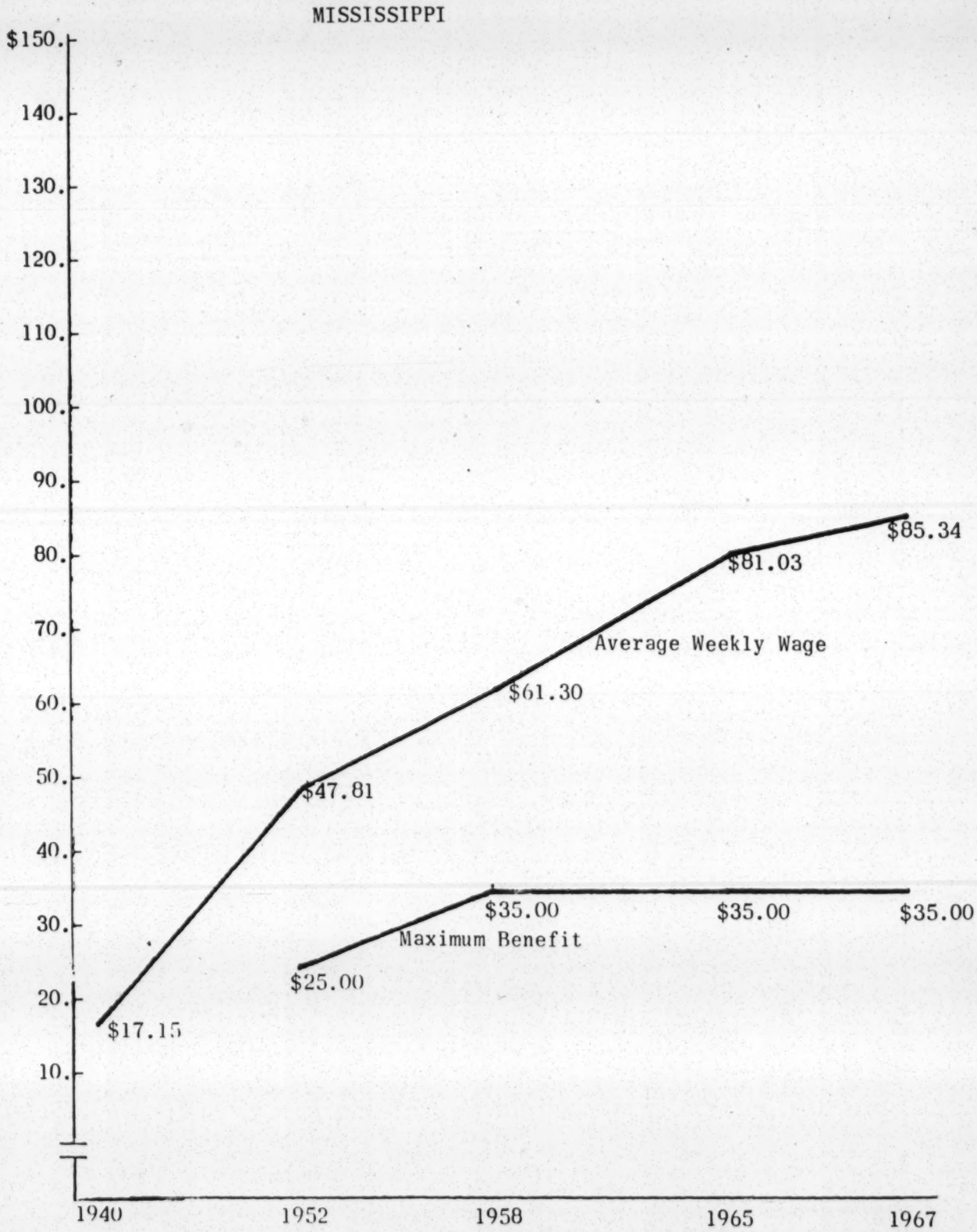
Source: Table I

INCREASE IN STATE AVERAGE WEEKLY WAGE vs. INCREASE IN WORKMEN'S COMPENSATION BENEFITS FOR TEMPORARY TOTAL DISABILITY FOR SELECTED YEARS



Source: Table I

INCREASE IN STATE AVERAGE WEEKLY WAGE vs. INCREASE IN WORKMEN'S COMPENSATION BENEFITS FOR TEMPORARY TOTAL DISABILITY FOR SELECTED YEARS



Source: Table I

TOTAL BENEFITS AS A PERCENT OF PAYROLLS IN COVERED EMPLOYMENT, BY JURISDICTION, 1964

Less than 0.50
- Connecticut
- Delaware
- Illinois
- Indiana
- Iowa
- Maine
- Michigan
- Nebraska
- North Carolina
- Pennsylvania
- Utah
- Virginia
- Wisconsin
- Federal Employees Compensation Act

0.50 - 0.59
- Alabama
- District of Columbia
- Georgia
- Kentucky
- Missouri
- New York
- South Carolina
- South Dakota
- Vermont

0.60 - 0.69
- Minnesota
- New Hampshire
- North Dakota
- Rhode Island
- Tennessee

0.70 - 0.79
- California
- Colorado
- Hawaii
- Kansas
- Maryland
- Massachusetts
- New Jersey
- West Virginia
- Wyoming

0.80 - 0.99
- Alaska
- Arkansas
- Florida
- Mississippi
- Montana
- Nevada
- Ohio
- Texas

1.00 or more
- Arizona
- Idaho
- Louisiana
- New Mexico
- Oklahoma
- Oregon
- Washington

NOTE: The cost of workmen's compensation (on an average) is less than $1.00 per $100. of payroll in Mississippi, and less than 60 cents per $100. of payroll in Alabama and Georgia.

SOURCE: Social Security Bulletin - October, 1966

TABLE I

RATIO OF MAXIMUM WEEKLY BENEFIT
FOR TEMPORARY TOTAL DISABILITY TO
STATE AVERAGE WEEKLY WAGE FOR
SELECTED YEARS

	1940	1952	1958	1965	1967
Weekly Benefit Temporary					
Georgia	$20.00	$24.00	$30.00	$37.00	$37.00
Alabama	$18.00	$23.00	$31.00	$38.00	$44.00
Mississippi	---	$25.00	$35.00	$35.00	$35.00
Average Weekly Wage reported under State Unemployment Insurance Act[1]					
Georgia	$17.85	$53.37	$67.42	$91.14	$96.14
Alabama	$18.96	$55.84	$70.99	$93.26	$97.15
Mississippi	$17.15	$47.81	$61.30	$81.03	$85.31
Ratio of Temporary Total Disability Benefit to state average weekly wage					
Georgia	112.0%	45.0%	44.5%	40.6%	38.5%
Alabama	94.9%	41.2%	43.7%	40.7%	45.4%
Mississippi	---	52.3%	57.1%	43.2%	41.2%

[1]Figures for 1967 based on latest available 1966 wage data.

EXCLUSIVE STATE FUNDS

The AFL-CIO by convention resolution has endorsed the principle of the exclusive state fund. The resolution reads in part as follows:

"Resolved: That the AFL-CIO recognizes that the workmen's compensation laws must be overhauled if they are to meet the needs for which they were originally designed, and to meet the challenges of our rapidly changing industrial society; and calls upon all national and international unions to give increased support to state central bodies in their efforts to obtain the following objectives:

15. An exclusive state compensation fund....."

The cost record of the private insurance carriers clearly indicates the superiority of the exclusive state funds. For example, for the years 1950 - 60, administrative costs of exclusive state funds averaged 6.5% of premiums to expenses. During the same period, the ratio of expenses incurred to net premiums earned for non-participating stock companies, participating stock companies, and mutual companies averaged approximately 37%, 28%, and 25% respectively.

There are several reasons for the wide differential in costs between exclusive state funds and private insurance coverage. Exclusive state funds are non-profit and do not have to use money to maintain a large sales force, or compete by means of expensive advertising. However, the most important factor has been the excessive expense loading used by insurance companies. Expense loading is the portions of the rate set aside to meet anticipated underwriting expenses or overhead. State approved expense loadings are established uniformly for all companies and usually reflect the expenses of the insurance carriers with the highest expenses. This reduces competition between insurance companies and raises costs unnecessarily. Two standard expense loading factors are in general use by insurance companies in the field of workmen's compensation, namely, 37% or 40% of the gross premium charged. Although the expense loading factors may vary among states, the following comparison gives a clear and substantially accurate picture:

	High	Low	Average
Cost of acquiring risk (commissions, brokerage, advertising, etc.)	17.5%	17.5%	17.5%
Claims Adjustment	10.0%	8.0%	9.0%
Inspection and rating bureau	4.0%	2.5%	3.25%
Premium taxes	3.5%	2.0%	2.75%
General expenses and auditing	9.5%	6.5%	8.0%
Totals	44.5%	36.5%	40.5%

Comparative loss ratios of private carriers, 1950 - 1960 bear out the fact that the loss ratio of incurred losses to earned premium has very carefully approximated the expense loading factors of forty percent.

more....

TABLE II

Comparative loss ratios, private carriers, 1950 - 1960

(Amounts in Millions)

Year	Direct writings related to direct losses paid (2)			Earned premiums related to incurred losses (3)		
	Direct writings (4)	Direct losses paid	Loss ratio	Earned pre-miums (4)	Incurred losses	Loss ratio
Total	$12,109.5	$5,487.9	53.6	$11,549.6	$7,077.7	61.3
1950....	721.5	381.3	52.8	696.6	427.7	61.4
1951....	844.5	444.4	52.6	789.9	518.5	65.6
1952....	956.3	491.0	51.3	903.7	571.9	63.3
1953....	1,074.1	524.2	48.8	1,010.6	605.4	59.9
1954....	1,067.3	540.5	50.6	1,010.8	561.4	55.5
1955....	1,078.4	562.5	52.2	1,927.9	594.3	57.8
1956....	1,152.8	618.1	53.6	1,103.4	649.3	58.8
1957....	1,234.1	660.9	53.6	1,173.5	706.7	60.2
1958....	1,235.0	694.4	56.2	1,193.9	746.6	62.5
1959....	1,322.5	752.6	56.9	1,271.4	821.7	64.6
1960....	1,423.0	818.0	57.5	1,367.9	874.2	63.9

1. Before 1959, excludes Alaska and Hawaii.
2. Data for 1950-58 from "Spectator: Insurance by States of Fire Marine, Casualty, Surety and Miscellaneous Lines" annual issues. 1959 and 1960 data compiled from published and unpublished reports of State insurance commissions.
3. From National Council on Compensation Insurance, "Insurance Expenses Exhibit (Countrywide)", annual issues.
4. Disregards dividends to policyholders but allows for premium discounts and retrospective rating.
5. Source: - Social Security Bulletin, June, 1962.

The record of the private insurance carriers is one reason Arthur J. Altmeyer, former U. S. Social Security Commissioner, has stated:

> "I believe until we move a considerable distance in the direction of the States themselves assuming responsibility either directly through exclusive State funds or through a State-wide mutual insurance company we shall find it impossible not only to provide adequate benefits to all workers and adequate protection to all employers, but we shall find it impossible to carry on as effectively as we should accident prevention and rehabilitation programs."

An exclusive state fund is one of the most difficult improvements to secure in a workmen's compensation law. However, it is only by continued effort that success will be achieved. We hope that many state central bodies will sponsor exclusive State fund legislation at the next session of their state legislatures.

Workmen's Compensation

RESOLUTION NO. 251 - Adopted by the Seventh Constitutional Convention, AFL-CIO, Bal Harbour, Florida, December, 1967.

Workmen's compensation, our oldest form of social insurance, is now approaching its 60th anniversary. Our system is based on the principle that since accidents are attributable to production, their costs should be borne by the society that benefits from the production. Our workmen's compensation system is also based on the principle that by providing prompt monetary and medical benefits to injured workers, it will not only benefit them and their families but the cost to society is less, because it reduces to a minimum the loss of the injured worker's productive services and the burden of supporting the workers and his family.

Defects were recognized in the early laws, right from the start, but future legislative action was expected to correct many of these deficiencies. We regret that, in the main, these hopes have not been realized in state legislation.

The United States Congress took steps to correct deficiencies in the Federal Employes Compensation Act in 1966. The Congress passed a number of amendments to this Act that substantially improved the workmen's compensation protection provided for federal workers and their families.

The President, at the time he signed the amendments into law, urged the other jurisdictions to examine their laws in the light of the amendments to the Federal Act. At the same time, he urged them to take the action necessary to assure all American workers and their families adequate workmen's compensation protection. Congress is now giving consideration to the President's recommendation in pending legislation which would substantially improve the Longshoremen's and Harbor Workers' Act. The proposed amendments would enhance workmen's compensation protection for longshoremen, workers in the District of Columbia, and other workers covered by this Act.

Unfortunately, despite the persistent efforts of the AFL-CIO state labor bodies, few state legislatures have demonstrated a similar concern for injured workmen.

Compulsory coverage, without numerical exemptions, is still the exception rather than the rule. Coverage for agricultural workers has been shamefully ignored despite the recognized hazardous nature of employment in agriculture.

The original goal of workmen's compensation legislation was to restore to injured workers at least two-thirds of their wage losses due to industrial injuries. The gap between this objective and what the law actually provides for injured workers reflects one of the most serious inadequacies of our present system. In cases of temporary total disability, maximum benefit amounts in the majority of states deny many workers a benefit equal to two-thirds of their average weekly wage.

In many states the statutory maximum weekly benefit level is less than 50 percent of the statewide average weekly wage. The inadequacy of benefits for more serious injuries resulting in permanent disability is even worse, since these inadequate benefits can result in a lifetime of deprivation for workers and their families.

Only 20 states provide cash benefits to a widow until her death or remarriage, and for children until they reach 18 years of age. Only a very few states continue benefits to dependent children continuing their education beyond the age of 18.

One-third of our states fail to cover all occupational diseases. In addition, workers are frequently denied compensation under existing occupational disease coverage because of restrictive time limits within which they must file a claim.

Because 22 states still fail to provide full medical benefits, a worker in any one of these states may have to bear a portion of the medical cost for occupational injury or disease.

Rehabilitation programs are provided in only about one-half of our workmen's compensation laws and even many of these are not fully satisfactory.

The poor administration of some laws is another burden the present system has placed upon injured workers. Greater attention should be given to the collection and distribution of information concerning the operation of the system, investigation and enforcement of coverage, closer supervision of claims settlements, adjudication of contested claims, supervision of rehabilitation and medical care, safety promotion, and statistical analysis of the work of the state agencies.

These glaring inadequacies are but a few of the many problems that exist within our present system of workmen's compensation. They reflect the need for greater federal participation in the system and the need for minimum federal standards if injured workers and their families are to receive adequate workmen's compensation protection. Despite valiant efforts by AFL-CIO state central bodies which have for years been leaders in the struggle to improve existing laws, the results have been all too meager. We are convinced that lasting improvement in workmen's compensation can be achieved only by a determined effort at the federal level including the establishment of federal minimum standards respecting the main features of state laws. Therefore, be it

RESOLVED: That the AFL-CIO continues to recognize that our workmen's compensation laws must be overhauled if they are to fulfill the needs for which they were originally designed, and to meet the challenges of our rapidly changing industrial society; and calls upon all of our affiliated unions to give increased support to state central bodies in their efforts to obtain the following minimum standards in state laws:

1. Compulsory coverage with no numerical exemptions.

2. Coverage of agricultural workers in the same manner as other employes.

3. Benefit levels sufficient to maintain a decent standard of living for injured workers and their dependents, with weekly benefits of not less than two-thirds of the injured worker's average weekly wage.

4. Reciprocity of benefit rights between jurisdictions.

5. Time limits within which an employe must file a claim for occupational disease should be at least one year after the date when employe has knowledge of the nature of his disability and its relation to his job and until after disablement.

6. Full statutory coverage of all occupational diseases.

7. Coverage of diseases caused by ionizing radiation.

8. Full medical benefits for job-incurred personal injuries and occupational diseases.

9. Full compensation protection under second injury funds.

10. Free choice of qualified physician by injured workers.

11. The workmen's compensation agency to have the authority to supervise and control medical care of injured workers.

12. The workmen's compensation agency to include a rehabilitation division which should promote full utilization and development of rehabilitation facilities for the benefit of injured workers.

13. Maintenance benefits during rehabilitation.

14. Administration under a state agency rather than by the courts.

15. An exclusive state compensation fund.

16. Benefits for the totally disabled for the period of disability.

17. In case of death, benefits to be paid to the widow until her death or remarriage, and to children at least during their minority, and to other dependents during the period of their inability of self-support.

18. Minors under 18 who are injured on the job if employed in violation of any state law to be paid benefits double those otherwise payable.

19. Prohibition of special contracts with employers whereby a worker with a specific physical defect waives his right to compensation in the event of a subsequent injury.

20. Prohibition of lump-sum settlements and compromise of rights to full medical care under compromise and release settlements unless the workmen's compensation agency approves such a settlement on the advice of the appropriate state rehabilitation unit or agency.

21. Judicial review to be limited to consideration of the record of the workmen's compensation agency on questions of law only without trial de novo. In addition, there should be an appeals board which has no administrative responsibilities and from which appeal on matters of law only can be made to the highest court in the state (this standard is based on the assumptions that the administration of the state law is of a quality that assures adequate protection to injured workmen, and that jury trials and trials de novo will continue until administration of state laws reaches a level that fully protects the rights of all injured workers and their families).

RESOLVED: That the AFL-CIO urge the Congress to enact without delay the pending amendments to the Longshoremen's and Harbor Workers' Act.

RESOLVED: That we reaffirm our request to the Department of Labor to upgrade its efforts to improve workmen's compensation laws by developing and sponsoring legislation establishing minimum federal standards for workmen's compensation.

RESOLVED: That this convention renews its pledge to support the enactment of a Federal Workmen's Compensation Act. But, short of this, we urge the Congress of the United States to enact legislation establishing federal minimum standards that will provide meaningful protection to injured workers and their families.

SUMMARY

The workmen's compensation law of Alabama meets only 1 of the AFL-CIO recommended standards; the Georgia law meets only 2 standards, and the Mississippi law meets 3 standards. This is a shocking indictment of the workmen's compensation laws in these states in view of inadequate benefit levels and the fact that workmen's compensation protection on the average cost less than 1 cent of each payroll dollar -- less than .6 of a cent in Alabama and Georgia.

Workmen's compensation benefits have deteriorated noticeably during the past quarter century in each state. The pronounced erosion of benefit levels in Alabama and Georgia during the 1940's and early 1950's has destroyed the original concept of the workmen's compensation system for many workers.

The benefit levels in Alabama and Georgia have consistently lagged behind the statewide average weekly wage since 1940 and in Mississippi since 1950.

There is no principle so universally accepted in theory and so universally ignored in fact as the concept of adequately providing for industrially injured workers and their families. The average cost burden of workmen's compensation for employers in these states has been light. Where the need is so great and the cost is so small, there is every obligation for the States to act.

HUMAN REHABILITATION

Resolution No. 253 - Adopted by the Seventh Constitutional Convention, AFL-CIO, Bal Harbour, Florida, December, 1967.

In spite of great progress in legislation, rehabilitation techniques, and public awareness and support, the major portion of the difficult job of rehabilitating the handicapped still remains. Individuals who in earlier years would have had brief life expectancies are now living into old age with chronic disabling and handicapping conditions. New hazards and changing technology are also contributing to the increase in the incidence of disability. While rehabilitation programs are expanded in hopes of restoring the handicapped to useful employment, medical science is expanding the number of the handicapped by prolonging human life, and changing technology is adding new barriers to their employment.

Rehabilitation is becoming increasingly important to labor because it is a concept that is influencing the whole health and welfare field. Organized labor working with the National Institutes on Rehabilitation and Health Services had sponsored numerous rehabilitation conferences and has successfully established a number of labor rehabilitation projects. Organized labor also has participated actively in the work of the National Advisory Council on Vocational Rehabilitation, the President's Committee on Employment of the Handicapped and similar national and state committees, as well as on the community level to promote rehabilitation and hiring of the handicapped. The Social and Rehabilitation Service of the Department of Health, Education and Welfare should help to provide more comprehensive rehabilitation services to a wider range of the population. We commend the progress that has been made by both public and voluntary agencies in rehabilitating the disabled.

This greater recognition of the need for comprehensive services to the handicapped through the integrated efforts of a number of agencies will contribute to continued progress. Yet much more must be done. Therefore, be it

RESOLVED: That all state and local bodies support legislative action matching maximum amounts of state funds to available federal appropriations for rehabilitation programs and cooperate with State Vocational Rehabilitation Agencies.

That affiliated bodies actively participate im programs to rehabilitate union members and to support community rehabilitation programs.

That prohibition against discrimination in the employment of the handicapped be included in fair employment practices clauses of collective bargaining agreements.

That the experience of such labor rehabilitation projects as that of the Sidney Hillman Health Center in New York City, the New York City Central Labor Council, and the Iowa Federation of Labor should be widely disseminated and affiliated bodies should work closely with, support and promote the efforts of the National Institutes on Rehabilitation and Health Services to hold rehabilitation conferences and to establish labor rehabilitation projects.